

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

December 14-15, 2005

The Idaho Transportation Board met at 8:35 AM, on Wednesday, December 14, 2005, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

Briefing on New Sound System. Sandy Frazier, Information Technology Network Analyst, explained the new sound system that was installed in the auditorium, including the audio/visual capabilities. She added that problems are being corrected and some issues are still being addressed.

Board Minutes. Member Blick made a motion to approve the minutes of the special Board meeting held on October 27, 2005 as submitted. Member McHugh seconded the motion and it passed 5-0. Vice Chairman Combo abstained from the vote because he was not at the special meeting.

Member McHugh made a motion to approve the minutes of the regular Board meeting held on November 16-17, 2005 as corrected. Member Blick seconded the motion and it passed unopposed.

Member McHugh made a motion to approve the minutes of the special Board meeting held on November 23, 2005 as submitted. Member McClure seconded the motion and it passed unanimously.

Board Meeting Dates. The following meeting dates and locations were scheduled:

January 18-19, 2006 – Boise
February 22-23, 2006 – Boise
March 15-16, 2006, - Boise

Consent Calendar. Member Sweeney and Vice Chairman Combo asked for additional

information on projects and a claim presented in the report on legal actions and contract claims. DAG Vogt provided some information and will provide additional information as appropriate. Member Blick commented on the appointment of a Spanish-speaking hearing officer. He believes it is important for migrants to learn English.

Vice Chairman Combo made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB05-65 approves appointing a Spanish-speaking hearing officer, Darcy MacFarland; delaying the West Fork Pine Creek Bridge project, District 1, to FY07 of the Local Bridge Program; advancing Latah Trail, Joel to Troy, Stage 3 and delaying D Street Pathway, Moscow, District 2; and adding a safety project to the STIP; and has received and reviewed the update on SH-5, Chatcolet to Rocky Point Project, District 1; the contract award information; the new and supplemental professional agreements report; the outdoor advertising sign status report; the quarterly report on legal actions and contract claims; and the October financial statement analysis.

1) Spanish-speaking Hearing Officer. ITD-sponsored public meetings and hearings are increasingly attended by citizens whose first language is Spanish. A Spanish-English speaking hearing officer would improve the ability of Spanish-speaking citizens to participate in meetings. Staff recommends appointing Darcy MacFarland, who is fluent in Spanish, as a hearing officer.

2) Delaying the West Fork Pine Creek Bridge Project, Key #7216, District 1, to FY07 of the Local Bridge Program. The West Fork Pine Creek Bridge project, sponsored by Shoshone County, is currently in FY06 of the Local Bridge Program in the amount of \$661,000. Shoshone County has requested the delay of the project to FY07 due to delivery issues. The project can be funded in FY07 with no offset due to the \$3.7 million unprogrammed balance in the Local Bridge Program; therefore, staff recommends delaying the project.

3) Advancing Latah Trail, Joel to Troy, Stage 3, Key #9755 and delaying D Street Pathway, Moscow, Key #9153, District 2. Latah County has requested accelerating the Latah Trail, Stage 3 project from FY07. Construction costs are \$476,000. The City of Moscow is designing a project, D Street Pathway, in FY06, with construction costs programmed at \$425,000. Due to unexpected personnel/resource allocation issues, the City will not be able to deliver the project in time for advertisement for the FY06 construction season. The City of Moscow has requested delaying the project to FY07. Both projects are in the Enhancement Program and staff recommends exchanging the two projects in the Program.

4) Addition of a Safety Project to the FY06-10 STIP. Staff requested the addition of a safety

project, Safety Restraint Public Awareness Materials Project, to FY06 of the STIP. The \$35,000 project to purchase safety restraint public awareness materials was one of the projects listed in the Highway Safety Performance Plan approved by the Board at the June 2005 meeting; however, it was inadvertently left off of the list of projects submitted for inclusion in the final STIP. Funding for the project is contained in the current Section 163 0.08 blood alcohol content budget, so no additional funding is required.

5) Update on SH-5, Chatcolet to Rocky Point Project, Key #5128, District 1. SH-5, Chatcolet to Rocky Point is the remaining phase of a project to reconstruct a five-mile segment of SH-5 earmarked in the Intermodal Surface Transportation Efficiency Act of 1991. Of the \$3.3 million available for the project, approximately \$1.8 million has been utilized on earlier phases. The last phase is estimated at \$10 to \$15 million, requiring funds from additional sources. Development of the project is currently stalled due to a disagreement with the Coeur d'Alene Tribe regarding the design concept for crossing the Pedee Creek drainage. ITD recommends a 60-foot high fill with a box culvert to cross the drainage due to the 7% highway grade and tightly curved alignment. The Tribe desires a 950-foot long bridge, which ITD staff believes will compromise safety. The environmental document is on hold at FHWA because of the disagreement. Options for future action include: FHWA could issue a Finding of No Significant Impact without Tribal concurrence or the No Action Alternative could be selected.

6) Contract Award Information. Key #9178, #8939, and #9180 – Region 3, 4, and 2 Blunt End Guardrail Replacement, District 3. Low bidder: Marcon Inc. - \$2,365,289.

Key #9508 and #9535 – Intersection Greenhurst and Powerline Roads, Nampa, and Intersection Greenhurst and South Side Boulevard, Nampa, District 3. Low bidder: Idaho Sand & Gravel Company, Inc. - \$682,432.

The low bid on key #7148 and #6299 – US-20, Cloverdale Road to Hewlett-Packard Main Entrance, Boise, and Hewlett-Packard Main Entrance to Joplin Road, Boise, District 3, was more than ten percent over the engineer's estimate. The engineer's estimate was derived from the Average Unit Bid Price history. The major differences were in the Excavation, Granular Subbase, 19mm Aggregate for Base, Plantmix Pavement, Pipe Items, Curb and Gutter, Survey, Soldier Pile Wall, Modular CIP Guardrail, 48" Gravity Sewer Pipe, and Mobilization. Only one bid was submitted, partly due to the restrictive time requirements on the bid, other major projects underway or expected to be advertised soon, and concern with the difficulty to get concrete bids and pipe bids. Staff believes there is potential for savings if the project is re-advertised and the construction time restraints are relaxed; therefore, it rejected the bid.

7) New and Supplemental Professional Agreements Report. From November 1 through November 25, the Consultant Administration Unit processed \$2,539,710 in professional,

supplemental, and term agreements.

8) Outdoor Advertising Sign Status Report. At the close of federal FY05, 131 illegal and 139 non-conforming signs remained throughout the state. This compares with 100 illegal and 132 non-conforming signs at the end of FY04. It was noted that 21 of the current illegal and non-conforming signs are located on Indian reservations where ITD has no jurisdiction.

9) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section, a status of current legal cases, and a report on contract claims were presented.

10) October Financial Statement. Total federal aid revenue was \$28 million, or 20% below projections through October. Revenue from the Highway Distribution Account was \$751,000, or 1.2% ahead of projections. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, both the federal and state programs were ahead of spending projections by 1%.

Aviation fuel tax revenue through the end of October was 6% ahead of projections. Miscellaneous revenue was 20% below forecast. Overall expenditures were less than last year.

In the Aircraft Operations Fund, the October revenue was \$5,600 ahead of projections. Personnel expenditures were similar to last year.

Board Items. Chairman Winder said he attended most of the legislative outreach meetings held in each District recently. He continues to hear concerns about changes to the Statewide Transportation Improvement Program, and requested time at the January meeting to continue the discussion on elements that impacted the Program, with a focus on the escalating construction costs. Chairman Winder mentioned that he also addressed the Intermountain Forestry Association meeting and attended the Boise Area Chamber Task Force on public transportation.

Member McHugh commented on the recent public information meeting on the I-84/I-184 Wye Interchange landscaping project. He expressed concern with the project, and suggested that no additional resources be devoted to the project until ITD has a firm commitment from the City of Boise on its intent to maintain the landscaping upon completion of the project.

The consensus of the Board was to have Director Ekern contact the mayor of Boise to determine the city's commitment to the project and its intent to maintain the landscaping and to revisit the project next month.

Presentation – Highway Watch Program. Leslie Fowers, Idaho Trucking Association Highway Watch Coordinator, summarized the national Highway Watch Program. The Program is

administered by the American Trucking Associations under a cooperative agreement with the U. S. Department of Homeland Security. Its intent is to provide safety and security training to transportation workers throughout the country, as additional assistance to law enforcement.

Mr. Fowers added that Port of Entry officials have been involved in the training. He will continue working with ITD staff on the Program, including the possibility of using the District Offices as training facilities and coordinating training for public transit providers.

Chairman Winder thanked Mr. Fowers for the informative presentation and for his efforts on this important program. The Board expressed support for the Highway Watch Program.

Delegation – Paul Sudmeier, Idaho Trucking Association. Mr. Sudmeier thanked the Board members for their time and presented proposed revisions to Title 49, Chapter 10, Idaho Code, Weight, Speed and Tire Regulations. He said reasons for allowing “super single” tires include improved safety, improved air quality by reducing fuel consumption, improved congestion by reducing truck trips, and increased profits for the trucking industry due to improved business operations. He does not believe there would be an adverse impact on the pavement or bridges. He asked the Board to support this legislative concept.

A representative from Michelin Tires answered questions of the Board related to friction, load per square inch, and pounds per square inch. Mr. Sudmeier clarified that the legislation would allow the “super single” tire on single axle vehicles.

Chairman Winder thanked Mr. Sudmeier for the presentation. He asked staff to further analyze the legislative proposal and provide a recommendation on the legislation next month.

Local Rural Highway Investment Program Annual Report. Local Highway Technical Assistance Council (LHTAC) official Jim Zier stated that the local public officials appreciate the Local Rural Highway Investment Program. It is a popular program, as evident by the 86 applications submitted in FY05; however, funding was only available for about 40 projects. He stated that LHTAC focuses on funding three types of projects: construction or capital improvements, signs, and transportation plans. He elaborated on a number of projects funded in FY05. In conclusion, Mr. Zier said the Program is making a difference in addressing the locals’ needs and encouraged the Board to continue funding it.

Chairman Winder thanked Mr. Zier for the report.

Highway Equipment. Steve Spoor, Highway Equipment Superintendent (HES), provided historical information on the Department’s equipment budget and fleet size. In FY01 and FY02, the Department requested and received a significant increase in the Equipment Replacement

Budget. As a result of that funding, the deficient equipment dropped from 18.9% in 2001 to 12.9% in 2003. Since then, the Equipment Replacement Budget has been substantially lower than those levels, resulting in the deficient equipment increasing from 12.9% to 17.9%, even though the economic life of the equipment has increased from 11.25 years in FY03 to 11.99 years projected in FY07.

HES Spoor said it is standard practice to evaluate the economic life published for each category of equipment. He elaborated on the inventory and tracking process, whereby the Department assigns an equipment number to each separate item purchased. The inventory of equipment has decreased slightly since 2003, indicating that the increased deficiency rating is not due to an increase in inventory, but rather a result of the decrease in funding.

Member Blick said that it appears approximately \$1 or \$2 million per year can make a difference on the percentage of deficient equipment. He asked if a higher deficiency rating impacts safety. HES Spoor replied that maintenance costs are higher with deficient equipment, but he does not believe it impacts safety. He stressed that ITD is very safety conscious.

In response to Member Sweeney's question, HES Spoor replied that overall, he believes the equipment is lasting longer. Mr. Sweeney mentioned that District 2 lost a truck recently when an inexperienced driver had a traffic incident. He commented on the importance of experienced personnel operating highway equipment.

Member McClure asked if it would be desirable to establish a target for the deficiency rating. HES Spoor responded that he believes a 13 to 15% deficiency rating would be acceptable. Director Ekern indicated that while he does not disagree with the analysis, the Department may not be able to afford the level of investment needed if other priorities are to be met.

Chairman Winder thanked HES Spoor for the information.

Work Zone Safety Update. Assistant Construction Engineer (ACE) Doug Chase provided an update on the Work Zone Safety Team. The Team was established to integrate work zone safety strategies into project development, construction, maintenance, and utility operations. A draft comprehensive work zone safety policy has been drafted. It focuses on strategies that will protect both the traveling public and the highway worker from work zone hazards. The policy is on hold due to a new federal regulation regarding Work Zone Safety and Mobility. FHWA is developing guidelines for the implementation of this new regulation.

Member McHugh believes signs are a critical component of the work zone and expressed frustration that no signs indicate where the construction zone begins. Acting Traffic and Highway Safety Engineer (ATHSE) Carl Main replied that signs are a focus area of the Team. In addition

to establishing the zone, the Team is concerned with erected signs when no construction work is occurring.

In response to Member McHugh's question on how a work zone is determined for statistical purposes when traffic incidents occur, ATHSE Main responded that the law enforcement officer at the scene determines the work zone. He admitted that interpretations on the work zone differ. The Board made additional comments on signing issues, and staff took the comments and suggestions under advisement.

Chairman Winder thanked ACE Chase and ATHSE Main for the update and their continued efforts on this important issue.

Contract Awards. CE Hutchinson said the low bid on BROS-1900(101), key #7224 – North Darlington Bridge, Custer County, District 6, was more than ten percent over the engineer's estimate, requiring justification. The consultant prepared the engineer's estimate based on the Average Unit Price Report plus supplemental information. The major differences between the engineer's estimate and the low bidder were pre-stressed stringer, concrete, surveying, and dewatering. The project will replace a bridge that collapsed in August, so LHTAC believes it is imperative that the project be constructed as soon as possible. LHTAC has programmed additional funds to offset the increased cost and recommends awarding the bid.

In response to Chairman Winder's question, CE Hutchinson said an over-loaded vehicle damaged the structure. Chairman Winder asked if compensation or insurance money is available to pay for the repairs. CE Hutchinson believes the local entity is pursuing that.

Vice Chairman Combo made a motion to award the contract on key #7224 to the low bidder: Idaho Construction Company, Kimberly, Idaho - \$598,200.12. Member Blick seconded the motion and it passed unopposed.

The low bid on IM-IR-84-2(032)62, key #4160 – I-84, Blacks Creek Rest Area, East of Boise, Ada County, District 3, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the engineer's estimate was based on the average unit price report. The items of major difference were Granular Subbase and Toilet Building. Over the past year, the cost of buildings has risen, making cost estimation difficult. The District believes it underestimated the Subbase item, which is partly driven by availability. Staff does not believe there is an advantage to readvertising the project therefore, it recommends awarding the bid.

Vice Chairman Combo made a motion to award the contract on key #4160 to the low bidder: Western Construction, Inc., Boise, Idaho - \$10,170,522.31. Member McClure seconded the motion.

Member McClure said he heard concrete suppliers are reluctant to submit bids on ITD projects due to the stringent specifications. Also, there is concern about the delivery schedule.

The motion passed unopposed.

Chairman Winder asked for clarification on the engineer's estimate versus the total project costs. CE Hutchinson said staff reviews the bids to ensure no collusion is occurring and to follow federal regulations. Chairman Winder asked for additional information on the requirements, which staff will provide at a later date.

CE Hutchinson said the low bid on IM-0004(124), key #8891 – I-84, District 4 Interstate Sealcoats, Jerome, Cassia, Minidoka, and Gooding Counties, was more than ten percent over the engineer's estimate, requiring justification. The significant difference between the engineer's estimate and the low bid was in the CRS-2R Emulsified Asphalt for Seal Coat and SP Seal Coating items. The quantity of CRS-2R Emulsified Asphalt for Seal Coat is significantly larger than the quantities listed in the Unit Price Index; although the variation is not necessarily strictly tied to quantity. Since the engineer's estimate was prepared, the Unit Price Index was updated. The unit price of the apparent low bidder is consistent with the current Unit Price Index. The District believes it underestimated the unit price for the special provision, SP Seal Coating. Staff does not believe there would be tangible benefits from re-advertising the project and recommends awarding the contract to the low bidder.

Member McHugh made a motion to award the contract on key #8891 to the low bidder: Kloepper Inc., Paul, Idaho - \$3,260,210.44. Member Blick seconded the motion and it passed unopposed.

Red Bull Air Race World Series' (Red Bull) Request. Following last month's meeting when the Twin Falls Chamber of Commerce and Red Bull proposed conducting an air race in the Snake River Canyon near Twin Falls, staff met with Twin Falls Chamber of Commerce President Shawn Barigar to further discuss the proposal. DE Rigby reported that he reviewed the traffic issues and has concerns with closing the Perrine Bridge for an extended period to accommodate the race schedule. The alternate route, SH-50 and the Hanson Bridge, already carries a high volume of traffic. Additional traffic on that route could result in the bridge being at capacity, which could result in problems if there is an incident. DE Rigby said two alternatives are being explored. The first is to close the Perrine Bridge intermittently during the first three days instead of two- or three-hour consecutive closures. The last day of the event, during the final race, the bridge would be closed for the entire race period. The other option is a Federal Aviation Administration (FAA) waiver on the 500-foot clearance. A request for a 400-foot vertical clear zone has been submitted to FAA. DE Rigby said this variance would simplify the procedures for the race and possibly eliminate the Department's concerns, as the bridge would remain open.

Member Blick asked if the Perrine Bridge would remain open during the last day, the final race, with an FAA variance of 400 feet. DE Rigby replied that some traffic control would be required and the structure would probably be closed to pedestrian traffic; however, the full closure of the bridge would be discussed with FAA.

Mr. Barigar said he understands the Board's concerns and added that the Chamber of Commerce also has issues that need to be addressed. He said he has been in contact with Red Bull's representative AJ White, who couldn't be present because of a prior commitment. Mr. White has emphasized Red Bull's flexibility and willingness to work with the impacted parties to make the race a reality in the Twin Falls area in September 2006. Mr. Barigar said no response has been received from FAA yet on the variance request. He thanked the Board for its consideration on this proposal.

Chairman Winder thanked DE Rigby and Mr. Barigar for their comments. He encouraged them to continue working on the proposal and provide additional information next month.

Annual Dealer Advisory Board (DAB) Report. DAB Member Grant Petersen thanked the Board for its time. He summarized the activities of the DAB during FY05. It concurred with ITD's recommendations for revocation of three dealer and salesman licenses. It continues to support the new dealer continuing education requirement and the pre-license test requirements. The DAB reviewed and will be supporting legislation that the Independent Auto Association plans to present in 2006: 1) make it illegal and a misdemeanor for a person who rents, leases or provides for compensation any real property used to display a vehicle not titled in the name of the property owner; 2) add enhanced penalties to violations of unlicensed dealers or persons who sell vehicles without first having titled a vehicle in their name; 3) bring Idaho time requirements for filing of a title to perfect a security interest in line with the federal bankruptcy changes that were effective October 2005; and 4) add a requirement for a dealer license, requiring the dealer to provide proof of liability insurance upon application and renewal.

DAB Member Petersen also reviewed issues that the DAB will consider in the current fiscal year, including define the Principal Place of Business requirements for a dealer license; review Idaho Code allowing independent dealers to have temporary supplemental lot licenses for up to 175 miles from the principle place of business; and review current salvage vehicle programs.

Chairman Winder thanked DAB Member Petersen for the report and for his service on the DAB.

Executive Session Legal Issues, Section 67-2345(1)(f), Idaho Code. Chairman Winder commented on the recent letter from the Idaho Division of the Federal Highway Administration stating that discussions on the Connecting Idaho Program Manager be conducted in open session.

He wanted to ensure the Board members and staff understood that the program manager would not be discussed in a closed session.

Member Sweeney made a motion to meet in executive session at 11:55 AM to discuss legal issues. Vice Chairman Combo seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on legal matters related to fuel tax on Indian reservations; the US-95, Sand Creek Byway project; a contract award protest; the US-95, Mica Bay project; and the US-95, Twin Falls Alternate Route project.

The Board came out of executive session at 1:15 PM. No decisions were made.

Department Activities. Director Ekern said that he will be attending a meeting focusing on regional transportation issues in the Teton Valley later this week.

Director Ekern stated that partnership efforts are underway with ITD, Community Planning of Southwest Idaho (COMPASS), Ada County Highway District, and Valley Regional Transit on public transportation issues. He anticipates presenting the Board with the identified work activities soon.

This past week Director Ekern met with representatives from the Governor's Office and Legislative Services Office (LSO) to discuss change in employee compensation (CEC) issues. Director Ekern expressed optimism that an acceptable resolution will be developed.

CE Hutchinson said a survey is being conducted in conjunction with the Associated General Contractors of Idaho and the U.S. Department of Labor on wages in Idaho. Acting Roadway Design Engineer Gary Moles elaborated on the Davis Bacon Act and ITD's efforts on wages as a result of the U.S. Department of Labor's most recent publication on wages. Previously, two sets of wages were published: heavy equipment and highway. The new series has four sets, which led to some contractor concerns. Two hundred contractors were invited to participate in the survey. Staff intends to propose a recommendation to the U.S. Department of Labor next month, based on the survey responses.

Chairman Winder thanked Mr. Moles for the report and for his efforts on this project.

Administrator, Division of Administration (ADA) Susan Simmons summarized the recently-released Division of Human Resources' (DHR) report on CEC. The average ITD employee's salary is 23% below market rate. DHR is recommending a 2.25% CEC plus 4.7% for state agencies to address market inequities. ADA Simmons said ITD's lump sum appropriations' request to transfer funds to personnel met with some resistance from LSO and the Division of

Financial Management. Staff is proposing revising the request to allow the Board spending authority to transfer funds not to exceed \$15 million to personnel.

GARVEE Program Administrator (GPA) Nestor Fernandez reported on a recent trip to New York to meet with bond rating agencies. The Idaho team's presentation included an introduction to the Connecting Idaho Program and an overview on ITD and Idaho's growth and trends. Controller Dave Tolman added that he believes the recent trip was beneficial. He said the finance team for the Connecting Idaho Program has been established and is proceeding with its efforts. It will continue working on the financing plan. He said some team members will return to New York in several months to meet with the rating agencies for another presentation to allow the agencies to issue the ratings on the bonds.

Chairman Winder asked staff to determine, if, during the 2006 session the legislature authorizes the issuance of the bonds, if the bonds could be issued as soon as the Governor signs the bill, or whether the Department would have to wait until the new state fiscal year begins in July.

Public Affairs Manager Jeff Stratten provided an update on the new traveler information system, 511. ITD has received customer feedback and has been modifying the system on a regular basis to address concerns and make the system more user-friendly and efficient.

Legislative Update. Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal said staff is working with various parties on the chain-up proposal. A draft concurrent resolution has been prepared to allow ITD to work with the State Building Authority on the facilities proposal. BPIRM Pipal also relayed staff's concerns with the ethanol legislation that was presented to the Board last month. The Farm Bureau has been notified that the potential impacts to the Highway Distribution Account are a concern to ITD. BPIRM Pipal suggested that if the Board would like to support the ethanol proposal, that it only supports the legislation if both proposals are passed.

Chairman Winder expressed a desire to support ethanol and alternative fuels; however, he noted concern with impacts to the Department's revenue. Director Ekern said staff does not have a clear sense of the impacts of the legislation, but that it appears to be well crafted. He said staff will further analyze the legislative proposals and bring a recommendation back to the Board for its consideration.

Member Blick made a motion to authorize staff to pursue remedies to the Tribal fuel tax issue. Member Sweeney seconded the motion and it passed unopposed. Chairman Winder stated that the motion is in response to a recent U.S. Supreme Court ruling affirming the State of Kansas's fuel tax, which was based on where the fuel is taxed.

Program White Paper. Manager, Transportation Investments Dave Amick provided a revised paper, which was initially reviewed at last month's work session, on factors affecting the five-year STIP. He said minor changes were made based on comments at the workshop and from District Engineers since the paper was presented.

The Board members discussed the paper and asked staff to continue refining it based on their comments, including elaborating on the increased material costs and outlining assumptions.

Old Business – Reconsideration of Idaho Transportation Board Resolution #05-056, Selection of Connecting Idaho Program Manager. The reconsideration of the Connecting Idaho Program Manager, selected at the special Board meeting on October 27, 2005, was tabled at the special meeting held on November 23, 2005. Director Ekern provided documents associated with the Connecting Idaho Program, including Board minutes and related resolutions, correspondence from Parsons Brinkerhoff and FHWA, and the Request for Proposal (RFP). He summarized the activities to date and the desire to hire a Program Manager from the private sector due to consultants' expertise in streamlining procedures and developing and delivering a big program. He also indicated that the selection process is not currently affecting delivery of the program.

DAG Vogt emphasized that the Board used a unique procedure to select a program manager. In response to FHWA's concerns, ITD retained outside counsel with expertise with professional services. DAG Vogt outlined FHWA's concerns, including utilizing compensation as a factor in the RFP, selecting the program manager due to its local ties, and Board discussions held in closed session. FHWA recommended two options to remedy its concerns. One is to reject all proposals and cancel the RFP, with the option of issuing a new RFP. Option two is to modify the RFP and resume that process in accordance with FHWA guidelines.

DAG Vogt said that if option two is selected, both proposers would have to agree to that option; however, he added that both Washington Group International (WGI)/CH2MHILL and Parsons Brinckerhoff (PB) indicated agreement with option 2. Additionally, PB is willing to withdraw its lawsuit and abide by any decision made under option two. The Board also has the option to not reconsider its earlier action and proceed with the negotiations with WGI/CH2MHILL, according to DAG Vogt.

Chairman Winder emphasized that the Board considered the qualifications of both firms at its October 27, 2005 meeting; however, in its selection, it did not provide findings of fact and conclusions of law. He asked if FHWA participated in the development of the RFP or interview process. Director Ekern said ITD and Idaho Housing and Finance Authority staff participated in the rating and oral interviews, in accordance with the GARVEE Memorandum of Agreement with FHWA. GPA Fernandez added that FHWA was not present when the RFP was developed, but was present at the oral interviews.

Chairman Winder noted that FHWA did not communicate its concerns until November 21. He asked FHWA Division Administrator Steve Moreno to respond to the timing of the notification and to elaborate on FHWA's concerns with the RFP and Board's process. Mr. Moreno responded that the RFP cannot include a financial criterion. FHWA wants to ensure ITD is in compliance with both state and federal laws. In response to Chairman Winder's question on whether FHWA will recognize the Board's authority to select the program manager, Mr. Moreno responded yes.

Member McClure expressed concern that if option two is chosen, the Board's interviews of the firms would have to be conducted in open session to accommodate FHWA's guidelines. DAG Vogt acknowledged that there are logistical issues that will need to be addressed. Member McClure asked if information at the interviews could be used by the other party if the negotiations with the initially-selected firm fall through. DAG Vogt said the individual scoring, comments, and evaluations are to be confidential until a finalized agreement has been reached with the program manager. He added that the previous discussions on the program manager that the Board held in executive session were legal; however, now FHWA is requiring no discussions on that topic be conducted in a closed session.

Member Blick expressed concerns with option two, as it will be difficult to satisfy all parties. He supports starting the process all over. Member McClure disagreed. He does not believe the Board did anything wrong. If it starts the process over, he believes that would be an admittance of wrong-doing.

Chairman Winder acknowledged that compensation cannot be a factor in the RFP. He believes it is imperative to move forward with the selection of the program manager, expressed concern with starting the process all over, and questioned the Board's desire to conduct interviews in an open session.

Member Miller also acknowledged the procedural mistakes, but emphasized that the Board acted in good faith. He supports option two and believes it is important to continue the steps for a successful Connecting Idaho Program.

Member Sweeney expressed support for option one, starting the RFP process over, and starting the Connecting Idaho Program process with existing ITD staff. Vice Chairman Combo concurred, and expressed concern that the legislative session will commence soon.

Chairman Winder reminded the Board that there is a motion to reconsider the selection of WGI/CH2MHILL as the GARVEE Program Manager on the table.

Member McClure expressed concern with the potential to lose federal funds if the Board does not

reconsider its earlier action. Mr. Moreno clarified that only federal funds for activities of the GARVEE program manager are in jeopardy. Federal funds are still available for the highway projects and for any work conducted by consulting firms other than the firm selected as the program manager.

The motion on the table to reconsider Board Resolution #05-056, the selection of Washington Group International/CH2MHILL as the GARVEE Program Manager passed 5-1 by roll call vote, with Member McClure dissenting.

Member McHugh made a motion to rescind the Board's selection of WGI/CH2MHILL as the GARVEE Program Manager. Member Miller seconded the motion.

Vice Chairman Combo made a substitute motion to approve the following resolution:

WHEREAS, after passage by the Idaho Senate and House of Representatives, Senate Bill No. 1133, as

amended in the House - the Connecting Idaho Grant Anticipation Revenue Vehicle funding program, generally referred to as the "GARVEE BONDING PROGRAM", Senate Bill No. 1133, as amended - became law, effective July 1, 2005, upon signature of Governor Kempthorne in April, 2005; and

WHEREAS, such law is set forth as Chapter 378 of the First Regular Session of the 58th Legislature (2005); and

WHEREAS, the Idaho Transportation Department is always seeking innovative and new financial tools to improve the transportation network for Idaho, such as the GARVEE BONDING PROGRAM; and

WHEREAS, in furthering the objectives of such BONDING PROGRAM, ITD on August 2, 2005 issued a Request for Proposals, hereinafter referred to as the "RFP", for the utilization by ITD of an experienced consultive team as Program Manager of the GARVEE BONDING PROGRAM; and

WHEREAS, pertinent pages (cover, pages 2, 3, 4, 10, 12, and 13-15) of the RFP are, for future reference, Attachment "A", as shown as an Exhibit, which is made a part hereof with like effect; and

WHEREAS, two (2) proposals were received by ITD within the prescribed time period; one such proposal was from the joint venture of "Washington Group International/CH2MHILL" hereinafter "WGI/CH2MHILL", and the other proposal, also a joint venture, from "Parsons Brinkerhoff Quade & Douglas/HDR" hereinafter

“PB”; and

WHEREAS, an Evaluation Committee assembled by ITD (RFP p. 15), conducted interviews and then evaluated each of the proposals received utilizing the evaluation criteria and an interview with each proposer, and made its recommendation to the Idaho Transportation Board that “PB” be selected as the Program Manager; and

WHEREAS, at a special meeting of the Board on Thursday, October 27, 2005, pursuant to legal notice, the Board by a vote of 4 to 1 (with Member Sweeney voting “no”, and Vice Chairman Combo being absent on business out-of-state) approved selection of “WGI/CH2MHILL” as GARVEE PROGRAM MANAGER, with four (4) conditions, as set forth in the adopted Board Resolution No. ITB05-56, a copy of which Resolution is titled Attachment “B”, as shown as an Exhibit, which is made a part hereof with like effect; and

WHEREAS, subsequent to said meeting including the adoption of Resolution No. ITB05-56, the Board received a protest letter from “PB” dated November 8, 2005, a copy of which letter is Attachment “C”, as shown as an Exhibit, which is made a part hereof with like effect; and

WHEREAS, the Board also received a letter dated November 21, 2005, addressed to ITD Director Ekern from Stephen A. Moreno, Division Administrator, Idaho Division, Federal Highway Administration, which letter, among other things requested “consideration in delaying negotiations and award of the contract for “Connecting Idaho GARVEE Program Manager” a copy of which letter is Attachment “D”, as shown as an Exhibit, which is made a part hereof with like effect; and

WHEREAS, the ITD Director and the Board Chairman subsequently conferred with the FHWA; in addition, retained counsel for ITD sent an eight (8) page letter dated November 28, 2005, to FHWA providing a legal analysis of the correctness of the Board decision, a copy of which letter is Attachment “E”, as shown as an Exhibit, which is made a part hereof with like effect; and

WHEREAS, at a special meeting of the Board on November 23, 2005, the Board unanimously voted to reconsider the selection of “WGI/CH2MHILL”, but the reconsideration was tabled until no later than December 14, 2005; and

WHEREAS, ITD, this week, received a five (5) page letter dated December 12, 2005 from the Division Administrator of the FHWA, a copy of which letter is Attachment

“F” as shown as an Exhibit, which is made a part hereof with like effect, and which letter, among other things provides two (2) options for proceeding in a manner that would allow us to concur in the selection process; and

WHEREAS, the first option set out in such letter states “We would support a decision by the Board and ITD to reject all proposals.” and which option further explains that “...to avoid unnecessary delay, ITD, using in-house staff, could take the initial steps to start the Connecting Idaho program...consultants could be hired to assist ITD...on a project-by-project basis; and

WHEREAS the second option would be “if the Board decides that it is in the public interest to continue to act on the basis of the current RFP, we could concur only if there were significant safeguards in place to ensure the integrity of the process by which the Board reconsiders its earlier flawed action...should the Board decide to proceed with this option, we would insist on the following conditions,” which are five (5) in number; and

WHEREAS, it is clear that ITD has not convinced FHWA at any level, that the required procedures were followed in the selection process which FHWA termed in Attachment “F” above “its earlier flawed action”; and

WHEREAS, time is of the essence in that subsection 3, of section 4 of said GARVEE legislation (Chapter 378, 2005) provides that “...the Idaho transportation department, as part of its annual budget request...shall include a request for bonding authority as a separate item of its budget request”; and

WHEREAS, the Second Session of the 58th Legislature will open in a few weeks and the ITD budget must be submitted on time and defended as the session continues.

NOW THEREFORE BE IT RESOLVED, that in reconsidering its action taken at its Special Board meeting on October 27, 2005, as set forth in Attachment “B” hereto, such action in selecting a proposer is rescinded and both proposals are rejected, no contract has been executed between ITD and “WGI/CH2MHILL”, and further, in accord with RFP provisions set forth on page 13 of the RFP Attachment “A” hereto, under RESERVATION OF RIGHTS BY ITD “The issuance of this RFP does not constitute an assurance by ITD that any contract will actually be entered into by ITD and expressly reserves the right to...Reject any and all proposals”; and

BE IT FURTHER RESOLVED, that the Director and staff of ITD shall continue preparation, as per the legislative schedule, the separate GARVEE budget item and

the other requirements in S-1183, as assembled, hiring, if necessary, consultants to assist ITD personnel on a project-by-project basis as stated in Attachment “F” referred to above; and

BE IT FURTHER RESOLVED, that an appropriate time subsequent to adjournment of the Second Session of the 58th Legislature, the Director and staff shall prepare a discussion paper for Board consideration of the “Program Manager” issues vis-à-vis the then next session of the 59th Legislature in 2007 and the ITD budget as well as management of the GARVEE Program; and

BE IT FURTHER RESOLVED, that the Board commends both proposers for not only their interest in the GARVEE PROGRAM, but also for their efforts to assist the PROGRAM.

Member Sweeney seconded the motion. The motion failed 2-4 by roll call vote with Members Blick, McClure, McHugh, and Miller opposing.

The previous motion, to rescind the selection of WGI/CH2MHILL, passed 5-1 with Member McClure opposing.

Member McClure made a motion, seconded by Member McHugh, to approve the resolution for option two. (See below).

Member Miller asked about the timelines for option two. Member McClure suggested amending the motion to include Board interviews of the two proposers next week. Discussion followed on when to schedule the interviews. Chairman Winder suggested scheduling the interviews the first week in January; with general concurrence from WGI/CH2MHILL and Parsons Brinckerhoff representatives that January 6 would be an acceptable date. Members McClure and McHugh concurred with the amendment to the resolution to schedule the interviews the week of January 1, 2006. Chairman Winder asked DAG Vogt to work with the parties, if the motion passes, on the scheduling of the interviews and ensuring no communication devices such as cell phones are allowed in the meeting room.

Upon a 3-3 tie with Vice Chairman Combo and Members Sweeney and Blick opposing, Chairman Winder voted affirmative to approve the following resolution because of the need to proceed with the Connecting Idaho Program:

RES. NO. WHEREAS, on August 2, 2005, the Idaho Transportation Department issued a Request for Proposals (RFP)

ITB05-66 for program management services for the federally funded Connecting

Idaho – GARVEE Program; and

WHEREAS, the RFP identified five proposal evaluation criteria as follows:

1. experience and qualifications
2. overall implementation and management plan
3. proposed method of compensation
4. long-term ITD efficiencies
5. organization and innovation; and

WHEREAS, on September 15, 2005, ITD received two proposals in response to the RFP; and

WHEREAS, on October 27, 2005, the Board reviewed the recommendations of the evaluation committee regarding the proposals and determined that the Washington Group International/CH2MHILL joint venture was the most highly qualified firm to perform program management services for the Connecting Idaho – GARVEE Program; and

WHEREAS, ITD staff, the Office of the Attorney General, and the Federal Highway Administration (FHWA) have examined whether the selection may have been based in part on inappropriate criteria; and

WHEREAS, on November 23, 2005, the Board decided to reconsider its October 27 determination; and

WHEREAS, ITD has been advised by FHWA that federal law does not permit consideration of the proposed method of compensation in selection of a program management consultant involving federal highway funds; and

WHEREAS, the RFP specifically states that ITD has the right to supplement, amend, or otherwise modify the RFP.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board directs ITD to modify the RFP to:

- remove the proposed method of compensation as an evaluation factor, but not revise the evaluation criteria in any other respect; and
- submit the modified process to the proposers for their agreement to the revisions; and
- describe the process that will be followed for evaluation of proposals, which shall include re-evaluation to the extent necessary to reflect the removal of the

method of compensation as an evaluation factor, oral presentations by the competing firms, and the timeline for Board selection; and

BE IT FURTHER RESOLVED, that the Board will interview the proposers the first week of January 2006.

Chairman Winder thanked all of the parties involved in the program manager selection process and all of the attendees interested in this matter.

WHEREUPON the meeting recessed at 5:05 PM.

December 15, 2005

The Board reconvened at 8:35 AM on Thursday, December 15, 2005, at the District 3 Office, Boise, Idaho. All members were present.

Joint meeting with COMPASS: Blueprint for Good Growth. COMPASS Executive Director Matt Stoll thanked the groups for scheduling the joint meeting. He provided background information on the efforts underway to establish policies to address land use and transportation planning in six southwestern counties: Ada, Boise, Canyon, Elmore, Gem, and Payette. He emphasized the excellent state/local partnership undertaken on this project.

COMPASS Director of Planning Charles Trainor elaborated on the Blueprint for Good Growth. The aim of the Land Use and Transportation Guide Plan is to focus and sustain the growth in the area. It is an attempt to create efficient and beneficial development, with an emphasis on quality of life and providing citizens with choices. The document focuses on regional corridors, transit network, financial capacity and funding options, emphasizes safety and maintenance, and ties funding priorities to established goals. Mr. Trainor summarized the extensive public involvement process used to develop the document and said the adoption of the plan is expected in April 2006.

Extensive discussion followed on various aspects of the document and related topics, such as corridor preservation and access control. Because of ITD's dual role of planning and moving goods and people, Director Ekern emphasized the importance of a plan to address land use and transportation.

Chairman Winder expressed appreciation for the coordination and good working relationship between ITD and COMPASS. Member McHugh mentioned the excellent partnership District 1 and local officials developed for the SH-41 corridor. Member Sweeney believes one of the

Board's strengths is its statewide perspective on transportation. Although members are selected by geographic location, they are not parochial. He encouraged the COMPASS members to also take a regional view and be supportive of needs of the region rather than the jurisdiction they represent.

Member McClure stressed the importance of ITD and COMPASS working cooperatively on this. He supported the development of an agreement between the two entities. Member Blick concurred and said the agreement could be used as a model for other communities, as other areas of the state continue to experience growth and need to address land use and transportation issues. (See later minute entry.)

The Board recessed for lunch at 11:45 AM and then reconvened at the Idaho Transportation Department at 1:35 PM.

Delegation – Yellowstone Bear World (YBW). YBW Vice President Courtney Ferguson thanked the Board members for their time. He gave a presentation on the wildlife park located near Rexburg in Eastern Idaho. Visitors travel through the park, which is approximately 70 acres, viewing wildlife. The tourist attraction has other amenities, such as a petting zoo, gift shop, and restaurant. The number of visitors stopping at the site has grown from just over 60,000 when it opened in 2000 to over 90,000 in 2004, with 97% of visitors coming from outside a 70-mile radius of the facility.

Courtney Ferguson emphasized the significant economic impact the tourist attraction has to the region and the state. He stressed the importance of a good transportation system for tourism and the economy in general. He expressed concern with access and believes a recent Board decision to close the existing at-grade intersection with a local road that provides access from US-20 to Bear World, and locate a new interchange on US-20 at alternative "T-G" near Thornton will inconvenience travelers, hinder the economic impact to the area, and result in safety concerns. In conclusion, he asked the Board to construct a second interchange on US-20 near YBW to address the access issues.

Vice Chairman Combo asked if YBW has expansion plans. Courtney Ferguson said YBW has additional acreage to expand in the future. No expansion has occurred recently partly due to the uncertainty with ITD's plans for the US-20 corridor. He added that he believes the existing facility can accommodate projected tourist traffic for the next five years.

In response to Chairman Winder's request, DE 6 Tom Cole explained the process undertaken to determine the best location for the new interchange near Thornton. The environmental document and public comments were the major factors in developing the recommended alternative.

Member McHugh asked if a frontage road will be provided to YBW as part of the “T-G” alternative. DE Cole replied no. DE Cole concurred with Member McHugh’s assessment that motorists would need to travel approximately 4 miles on the local system to access YBW and that ITD would not be improving any of the local roads as part of its project.

Vice Chairman Combo asked if the local officials preferred one of the interchange alternatives considered. DE Cole replied that some preferred constructing two interchanges, but with the realization that only one could be constructed at this time, general consensus was for the “T-G” alternative.

Member McClure asked YBW representatives if vehicle traffic is counted or only the people visiting the site. YBW President Mike Ferguson responded that approximately 28,000 to 32,000 vehicles access the site during the five-month period YBW is open, May to October. He emphasized that numerous large vehicles, such as tour buses and recreational vehicles, travel to the site. He anticipates the number of visitors to YBW will double in the next five years. Mike Ferguson added that he tried to meet with the Board before it made its decision on the US-20 interchange.

Chairman Winder reminded the delegation that the Department has a process to follow when developing and approving projects such as the new Thornton interchange. It would have been inappropriate for the delegation to meet with the Board earlier.

Member McClure questioned the local public agencies’ plans to address traffic with the expected growth at YBW. DE Cole replied that he has had some discussions with local officials, but nothing definitive has been established. He added that Madison County is experiencing extensive growth, not just in the vicinity of YBW, and the county commissioners realize they have to address and improve the transportation infrastructure.

Member Miller suggested exploring partnership opportunities. DE Cole acknowledged that projects on the state highway system impact local systems and the Department needs to work cooperatively with local public agencies. In response to the Thornton Interchange project schedule, DE Cole said final design won’t be completed for several years. He is optimistic that construction can start in five years, although this US-20 project is currently scheduled in Preliminary Development.

The consensus of the Board was to direct DE Cole to explore alternatives, such as a frontage road, to address YBW’s access concerns. Chairman Winder thanked the various parties for the presentation and information.

Mike Ferguson thanked the Board for its time and expressed appreciation for the Board’s

willingness to explore options.

Old Business. Member McClure made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, well managed access to significant regional corridors is a critical issue to the

ITB05-67 region and the Community Planning Association of Southwest Idaho (COMPASS) Board and the Idaho Transportation Board; and

WHEREAS, there has been an unintended disconnect between community decision making on planning and zoning approvals and the access permitting conducted by local jurisdictions and the Idaho Transportation Department; and

WHEREAS, access permitting is critical to the successful implementation of land uses and a well-managed transportation system.

NOW THEREFORE BE IT RESOLVED, that the agency directors of ITD and COMPASS are asked to develop a model for a standardized agreement for implementation of an integrated access permitting and planning and zoning coordination process.

Director Ekern stated that the agreement will be presented to the Board before it is executed.

In response to the wage survey ITD is conducting, Vice Chairman Combo provided historical information on the Davis Bacon Act and elaborated on his involvement in and experience with the Act as part of his duties when he worked for the federal government.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:50 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
January 18, 2006
Boise, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

November 23, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 2:35 PM on Wednesday, November 23, 2005, pursuant to legal notice. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference:

John McHugh, Member – District 1
Bruce Sweeney, Member – District 2

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Member McClure made a motion to meet in executive session at 2:35 PM to discuss legal matters. Member Miller seconded the motion and it passed unanimously by individual roll call vote.

A general discussion was held on potential litigation.

The Board came out of executive session at 3:40 PM. No decisions were made.

Member Miller made a motion, seconded by Member Blick, to suspend the rules for consideration of a previous action. The motion passed 6-0 by individual roll call vote.

Member McHugh made a motion to reconsider Idaho Transportation Board Resolution #05-056, selecting Washington Group International/CH2M HILL as the Connecting Idaho GARVEE Program Manager. Member Miller seconded the motion.

Member McClure made a substitute motion to table the reconsideration of Resolution #05-056 to a date certain, but no later than December 14, 2005. Member Blick seconded the motion. The motion passed 6-0 by individual roll call vote.

WHEREUPON the special session of the Transportation Board adjourned at 3:45 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
December 14, 2005
Boise, Idaho

WORK SESSION AND REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

November 16-17, 2005

The Idaho Transportation Board met at 8:30 AM, on Wednesday, November 16, 2005, at the Division of Aeronautics, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

Division of Aeronautics. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen reported on the efforts to select a preferred location for the Friedman Memorial Airport outside of the Wood River Valley, due to safety concerns with the present site. Site 10, located in southern Blaine County near SH-75, has been determined the preferred site. One of the next steps is to conduct an environmental impact study.

Chairman Winder thanked AAB Chairman Sorensen for the update and also for the extensive time and effort he devoted to serving on this selection committee.

Bill McLaughlin, facilitator of the Idaho Air Transportation Investment Forum, summarized the Forum meetings held to date. The Forum was established to study the needs and available options for financing Idaho's air transportation system and to create understandable proposals that lead to long-term consistent and coordinated solutions that address financial needs. To date, sessions have been held to get organized, understand the issues, explore potential funding strategies, review existing funding policies and issues, and re-evaluate and revise the initial strategy. This work is to parallel the work of the Forum on Transportation Investment. The Steering Committee plans to conclude its work by June 2006.

Chairman Winder thanked Mr. McLaughlin for the update and his assistance with the Forum. He believes it is critical to involve the right people – parties representing the various uses of the state's airports.

Headquarters and District 3 Facilities. Equipment Superintendent (ES) Steve Spoor, and Business and Support Manager (BSM) Kathy Chase elaborated on establishing three locations for the Headquarters and District 3 Facilities: offices and administrative functions, operations and industrial, and a Boise maintenance shed. The specific requirements and costs of each location were summarized. The estimated total cost is \$63 million. The Department has approximately \$31 million in assets for the project, leaving a net cost of \$32 million. It was also suggested that the State Building Authority provide assistance with the endeavor to replace and/or relocate the facilities. Considerable discussion was held on the topic and staff acknowledged that additional work needs to be done. (See later minute entry.)

Chairman Winder thanked staff for the update and its continued efforts on the facilities.

Communications. Steve Steiner, Information Technology Network Analyst, provided a history of ITD's and Idaho State Police's (ISP) role in the communication infrastructure, starting with a partnership in the 1950's on the statewide microwave network for radio and voice communications. He summarized system upgrades and other partnerships that have been developed, including for the installation of fiber optic and for Intelligent Transportation Systems. He outlined the communications' needs and challenges. In conclusion, Mr. Steiner reported on planned projects for the network, such as adding network security appliances, installing core infrastructure equipment, upgrading video conferencing systems, and training staff, and he emphasized the importance of partnerships.

ISP Director Dan Charboneau stressed the importance of an integrated communication system in the state. He said the technology is available; however, a plan and partnerships need to be developed. He summarized the work of the Telecommunications Task Force that he and Director Ekern are co-chairing. The Task Force has completed a paper, "*A Concept for Integrated Statewide Telecommunications Services*" and will be recommending the establishment of an Idaho Telecommunications Council.

Chairman Winder thanked Mr. Steiner and Colonel Charboneau for the informative presentation and offered the Board's assistance with this important issue. (See later minute entry.)

Executive Session Legal Issues, Section 67-2345(1)(f), Idaho Code. Member Sweeney made a motion to meet in executive session at 11:55 AM to discuss legal issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on potential litigation.

The Board came out of executive session at 1:30 PM. No decisions were made.

Programming Policy. Director Ekern described to the Board an initiative being chaired by Manager, Transportation Investment (MTI) Dave Amick and District 6 Engineer Tom Cole to review the current system for capital program development and management. The purpose of this workshop is to have an open discussion as recommendations are being developed for Board consideration. He said that no answers or consensus is expected at this session.

MTI Amick reviewed the current program policies, project budgeting model, highway funding plan, and historical information on District targets. The six District Engineers, Local Highway Technical Assistance Council representative Jerry Flatz, Community Planning Association of Southwest Idaho Executive Director Matt Stoll, and Glenn Miles representing the metropolitan planning organizations, summarized the process each uses to prioritize projects for

inclusion in the Statewide Transportation Improvement Program (STIP) and the challenges with the current process. Discussion followed on ideas to change the process based on extensive work that MTI Amick and DE Cole have undertaken. In addition to revising the process, the ideas included eliminating Preliminary Development but establishing a 6th year plus a category for long-range capital investment planning. The consensus of the Board was to have staff continue developing ideas and complete the review process. (See later minute entry.)

Staff also provided a draft paper on factors affecting the five-year STIP. The main changes from the FY05-09 and FY06-10 STIP were due to project cost increases, project delivery, and lower than projected federal funding.

WHEREUPON the meeting recessed at 5:25 PM.

November 17, 2005

The Board reconvened at 8:30 AM on Thursday, November 17, 2005, at the Idaho Transportation Department, Boise, Idaho. All members were present.

October 12-13, 2005 Board Minutes. Member Miller made a motion to approve the minutes of the regular Board meeting held on October 12-13, 2005 as submitted. Member Sweeney seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

December 14-15, 2005 – Boise

January 21-22, 2006 – Boise

February 22-23, 2006 – Boise

Consent Calendar. Member Blick made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB05-57 approves the certification of receipts and disbursements and Board Policy B-13-03, Environmental Stewardship, and has received and reviewed the new and supplemental professional agreements report, project delays attributable to outside factors, and Traveler Services System costs.

1) Certification of Receipts and Disbursements. The certification of receipts and disbursements cash basis, as shown as Exhibit #311, which is made a part hereof with like effect, was submitted for Board approval in conformance with the requirements of Section 40-708, Idaho Code. The Department's net resources available on June 30, 2005 were \$20,327,774.

2) Board Policy B-13-03, Environmental Stewardship. In accordance with last month's presentation on environmental stewardship and context sensitive solutions, staff submitted the Environmental Stewardship policy for approval.

3) New and Supplemental Professional Agreements Report. From September 26 through October 31, the Consultant Administration Unit processed \$1,740,740 in professional, supplemental, and term agreements.

4) Project Delays Attributable to Outside Factors. Staff reviewed the Program for the past three fiscal years to identify project delays caused by non-ITD factors. Staff does not formally track delays, so the analysis is based on a combination of information from various Headquarters Sections and Districts that is anecdotal as well as factual where data bases are available. The review of 450 projects indicated that 43 may have been delayed due to outside factors, or approximately 10%. The majority of delays were in the environmental arena, followed by utilities and railroad. Generally, outside factors are not the reason for delayed projects, but rather cost increases are the cause.

5) Traveler Services System Costs. As a follow-up to last month's item on the new traveler services system, a breakdown of costs was provided. The 511 development and start-up costs were \$812,000. FHWA grants were received for two components. Estimated annual operating and enhancement costs are \$382,000; however, annual costs are expected to decrease after the first two years as the need for consultants and enhancements diminishes. The average annual operating costs for the Road Report system, the predecessor to the current 511 system, were almost \$80,000; however, \$50,000 in one-time costs and \$128,000 in annual costs to upgrade the Road Report system to adequately provide service to an expanded customer base were needed.

Quarterly Returned Check Report. In the first quarter of FY06, \$8,127,260 in checks were

received, while \$21,446 or 0.26% were returned. The collection of returned checks amounted to \$12,480 for a quarterly collection rate of 58.19%.

Member McHugh questioned the large difference from FY05. In the first quarter of FY05, the value of returned checks was \$402,351, or 5.13%. This was due to an improper endorsement on a check for over \$350,000.

Member McHugh made a motion to accept the quarterly returned check report. Member Sweeney seconded the motion and it passed unopposed.

September Financial Statement. Total federal aid revenue was \$25 million, or 22% below projections in September. Revenue from the Highway Distribution Account was \$630,000, or 1.4% below projections. Expenditures for personnel, operating, and capital equipment were less than budgeted. In Contract Construction, the federal program was ahead of spending projections by 15% and the state program was 10% ahead of projections.

Aviation fuel tax revenue through the end of September was 3% behind projections. Miscellaneous revenue was 20% below forecast. Overall expenditures were less than last year.

In the Aircraft Operations Fund, the September revenue was \$10,300 behind projections. Personnel expenditures were similar to last year.

Member McHugh questioned some of the graphs provided in the report. Controller Dave Tolman explained the chart showing the contract construction expenditures and stated that ITD is spending more money, thus the reason for the decline in cash balance. Chief Engineer Steve Hutchinson summarized the Federal Construction Readiness Graph and emphasized that the chart depicts obligations, not project commitments.

Member McHugh made a motion to accept the September Financial Statement. Member Sweeney seconded the motion and it passed unopposed.

List of Research Projects. Research Program Manager (RPM) Matt Moore provided a list of research projects completed in the past year and those currently in progress. The data included a summary of the project's objectives, projected and actual schedule, and cost.

Member McHugh asked if any studies that are pooled with other entities are done at ITD. RPM Moore replied no. ITD has not taken a leadership role in conducting studies. Member McHugh asked why some projects do not have a schedule. RPM Moore replied that staff has not been able to determine the accuracy of past schedules and some projects were established without a clear schedule. Other research projects are on-going in nature and depend upon data collection efforts

that are not tied to specific schedules at this point in time.

Member McHugh made a motion to accept the report on research projects. Member Sweeney seconded the motion and it passed unanimously.

Board Items. Member McHugh commented on the recent list of boards and committees he received. He noticed that the compensation rate varies and that not all board and committee members receive compensation. He believes people who are asked to serve should be compensated for their travel expenses. Staff will review this issue.

Member McHugh mentioned a recent audit completed by the Office of Internal Review on the District administrative functions. There were 13 final recommendations that dealt with noncompliance with state laws and Department policies, plus internal control concerns. Action plans are being developed to address the issues.

Chairman Winder said he participated in the recent Governor's Highway Safety Summit. He believes it was a beneficial event and he emphasized the need to focus on safety and promote statewide education on safety.

Chairman Winder accepted an invitation to co-chair a Treasure Valley public transit task force.

Chairman Winder mentioned a letter the Board received from Parsons Brinckerhoff questioning the process used to select the GARVEE Program Manager. He asked staff to provide a briefing on this issue. Director Ekern said the process has been reviewed. He acknowledged that the Program Manager process was not intended to be a typical engineering qualification-based selection process. He believes the request for proposal was structured in compliance with regulations. Both teams were well qualified and were closely ranked by the selection team. DAG Vogt added that there are several steps in the process. ITD will negotiate with Washington Group International/CH2M HILL, but if negotiations break down, the Board can decide to select Parsons Brinckerhoff as the Program Manager.

Chairman Winder believes the process was proper. He said that unless a motion is made to reconsider the Board's action, the selection of Washington Group International/CH2M HILL stands.

At a recent local transportation committee meeting, concern was expressed about deer on highways, according to Vice Chairman Combo. He asked CE Hutchinson to work with the Idaho Department of Fish and Game on this issue. CE Hutchinson replied that ITD and Fish and Game have numerous memorandums of agreement currently in place. An effort has been undertaken to consolidate the agreements and develop one master agreement between the two agencies. The

issue of wildlife crossings will be incorporated into that agreement.

Vice Chairman Combo relayed a concern about communications that was also raised at a local transportation committee meeting. There are a number of places in the state where cell phone coverage is not available. He would like DE Cole to chair a communications team comprised of state and local law enforcement officials, as well as others. There was no objection to the establishment of this team.

Director Ekern noted that this activity needs to be done in the context of the responsibilities of the Department of Administration and other studies the Board was briefed on during the November 16 workshop.

Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board recognizes how critical the ITB05-58 communication network is to the business of the Idaho Transportation Department and the state; and

WHEREAS, the Board endorses private/public partnerships; and

WHEREAS, the Board has reviewed the issues surrounding the state communications network.

NOW THEREFORE BE IT RESOLVED, that the Board supports the ITRMC Telecommunications Task Force paper “*A Concept for Integrated Statewide Telecommunications Services*” and the accompanying draft Executive Order establishing the Idaho Telecommunications Council.

Department Activities. Director Ekern recognized Deputy Director Charles Rountree for 25 years of service in the transportation industry and presented DDIR Rountree with an award from the American Association of State Highway and Transportation Officials.

Director Ekern said the legislative outreach meetings will commence next week. He provided a draft agenda.

In conclusion, Director Ekern thanked the Board for participating in yesterday’s work session. Staff will continue working on the ideas and recommendations to modify the programming process, including a transition period. Vice Chairman Combo asked to revisit this topic under Old Business. (See later minute entry.)

Materials Engineer (ME) Jeff Miles provided an update on the availability and shortage of Portland Cement in Idaho. Costs are expected to continue increasing for the product and some contractors have expressed concern with risk due to the supply delivery. Headquarters' staff will continue to monitor cement availability and prices and will provide regular updates to the Districts on price trends so that project estimates can be accurate.

For clarification, DAG Vogt said that the Department is not required to make Board meetings available to the public via video conference.

Certificates of Appreciation. FHWA Division Administrator Steve Moreno presented certificates of appreciation to a number of Division of Motor Vehicle employees. The Division partnered with FHWA on a booth at the 2005 Western Idaho State Fair to promote seat belt usage. Mr. Moreno appreciated the assistance the ITD employees provided on this important endeavor.

Chairman Winder thanked all of the participants for their teamwork. He believes this was a valuable partnership.

Design Approval: US-20, Thornton Interchange, Madison County, Key #8454, and Menan-Lorenzo Interchange, Jefferson County, Key #8132, District 6. DE Cole summarized the process to select the location for two new interchanges on US-20 in Madison and Jefferson Counties. The projects, which were identified in the US-20 corridor study, are important for safety, as at-grade intersections will be closed. DE Cole added that there has been extensive growth in the Rexburg area, increasing the need to address safety on the corridor.

DE Cole said the ML-A alternative is preferred for the Menan-Lorenzo Interchange because it is the closest alternative to the Menan-Lorenzo Highway, has minimal wetland impacts, avoids encroachment of the 100-year floodplain, and avoids a fish-bearing stream. The T-G alternative is being recommended for the Thornton Interchange because it minimizes impacts to adjacent farmland, has minimal wetland impacts, avoids a bald eagle wintering area, avoids residential displacements, avoids a fish-bearing stream, and would serve more of the Thornton area businesses and residences. The Board received the public comments and responses on the projects and location and/or design study report prior to the meeting.

Vice Chairman Combo made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the safety on US-20 is a principal concern; and
ITB05-59

WHEREAS, certain safety deficiencies exist at both the intersection of US-20/700 North (Menan-Lorenzo Highway) and the intersection of US-20/Thornton Road, both at-grade crossings; and

WHEREAS, the elimination of these at-grade intersections will improve safety; and

WHEREAS, the elimination of US-20 at-grade intersections is consistent with the June 2000 corridor plan for this route; and

WHEREAS, the Idaho Transportation Board has scheduled the development of a project with the intent of removing the at-grade crossing; and

WHEREAS, Idaho Transportation Department has conducted public meetings and a public hearing in conformance with the National Environmental Protection Act, providing information to the public and receiving comments from the public; and

WHEREAS, the removal of these at-grade intersections is consistent with the outcome of the public hearing; and

WHEREAS, the Board has reviewed the hearing testimony from the June 23, 2005 hearing and is in agreement with same.

NOW THEREFORE BE IT RESOLVED, that the Board approves Alternative ML-A for Menan-Lorenzo Interchange, key #8132, and Alternative T-G for Thornton Interchange, key #8454; and

BE IT FURTHER RESOLVED, that ITD District 6 is granted design approval and authorization to pursue final design for the project.

Report on Materials Sources. ME Miles summarized the state's materials sources. Throughout the state, there are 783 active sources, with 758 being state controlled (owned or leased). He elaborated on the types of sources, the procedures related to the sources, and the royalties or recovery fees. The current rate is 65 cents per cubic yard. Common costs associated with sources are environmental and archeological clearances; investigation, including testing; surveying; title fees and appraisals; and fencing. He added that there are other uses for these sites, such as staging areas during construction of nearby projects.

Member Blick encouraged ME Miles to keep inflation in mind when reviewing the royalty rate. He suggested reviewing the rate on a regular basis. In response to Member McHugh's question on the balance in the account, ME Miles replied that he believes it is about \$890,000. Member McHugh also questioned the location of each source. ME Miles did not have that information readily available. Director Ekern suggested a future presentation on land management, focusing on all of the Department's right-of-way.

Chairman Winder thanked ME Miles for the informative report.

Contract Award. Member McClure made a motion to award the contract on NH-CM-3250(101), key #0088, SH-55, Marsing to Sunnyslope Curve, Canyon County, District 3 to the low bidder: Idaho Sand & Gravel Company, Inc., Nampa, Idaho - \$6,123,000. Member Blick seconded the motion and it passed unopposed.

Delegation – Twin Falls Chamber of Commerce and Red Bull Air Race World Series (Red Bull). Shawn Barigar, Twin Falls Chamber of Commerce President, said the Chamber has been working with Red Bull on a proposed air show in the Snake River Canyon at Twin Falls next year. The course would involve the Perrine Bridge and would require closing the structure at times.

AJ White, Red Bull representative, elaborated on the international race, which allows twelve of the fastest pilots in the world to compete. He stated that not only is speed important, but precision. Pilots fly through an established course at approximately 20 feet above the ground or water. In addition to inflatable pylons, bridges have been used as part of the course. He emphasized that safety of all involved is extremely important. Mr. White requested approval for pilots to fly under the Perrine Bridge in September 2006 as part of the race. The structure would need to be closed for several hours during the practice, qualifying, and final rounds of the race, a span of four days. He said the company works closely with the Federal Aviation Administration, as well as all other impacted parties, such as local communities and businesses.

In response to Member Miller's question on crowd control and the location of spectators, Mr. White said a clear zone is established. No one can be within the 500-foot aerobatic box when planes are flying. He believes the majority of the race would be west of the Perrine Bridge so spectators could be on the golf course in the canyon.

Member Blick asked if the City of Twin Falls supports the race, as closing the Perrine Bridge for the event will greatly impact the area. He also expressed concern that if something was to go wrong and the bridge would be closed for an extended period of time, it would greatly inconvenience the community. Mr. Barigar said preliminary discussions have been held with Red Bull. He acknowledged the concerns with closing the structure and the potential for structural damage resulting in an extended closure. Red Bull would be responsible for repairing the structure, but it would still result in a lengthy detour for motorists. Discussions will continue with the local entities impacted by the proposal, including Jerome and Twin Falls Counties. He added that in preliminary discussions with law enforcement, it indicated it could provide crowd control for the race.

Chairman Winder questioned the feasibility of establishing the race course in the canyon without

utilizing the bridge. Mr. White replied that part of the allure of the bridge is that it is a landmark. Even if the structure is not used for the race, it would still be impacted because of the 500-foot clear zone required, or the course would have to be moved some distance west. He reiterated that part of the appeal of conducting a race in the Twin Falls area is the Perrine Bridge.

Chairman Winder asked if Red Bull has discussed the race with the FAA. Mr. White said yes; Red Bull works closely with the Administration. FAA representatives concurred and stated that if the FAA safety requirements are met, it would not object to the race.

Director Ekern asked DE Rigby if the District has analyzed Red Bull's request. DE Rigby responded that it has not reviewed this specific request; however, based on previous events and experiences, he acknowledged that traffic control is a concern. The Perrine Bridge has a high volume of traffic and detouring to the Hanson Bridge is not only inconvenient, but will be challenging due to the high volume of traffic on that structure too.

Director Ekern asked DAG Vogt to respond to the request. DAG Vogt said ITD would need an agreement with Red Bull for indemnification issues and traffic control. In response to Member Miller's question on ITD's responsibility for traffic control and detour costs, DAG Vogt replied that generally ITD is not responsible for those expenses. He added that those items would need to be considered in the agreement.

Mr. White emphasized that Red Bull will work closely with ITD, ISP, and other entities on these issues. In response to Chairman Winder's question on security, Mr. White replied that Red Bull helps financially, but generally relies on the community for manpower. It will work with the City of Twin Falls and other appropriate entities on these issues.

Member Blick suggested that staff and Red Bull and Twin Falls officials discuss the proposed race and related issues further and provide a recommendation to the Board next month.

Chairman Winder thanked the delegation for meeting with the Board.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(a), and (f), Idaho Code.

Vice Chairman Combo made a motion to meet in executive session at 11:55 AM to discuss legal and personnel issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on potential litigation and pending litigation related to the US-95, Mica Bay project.

The general discussion on personnel issues related to a non-elective position.

The Board came out of executive session at 1:10 PM. No decisions were made.

Delegation – Idaho Farm Bureau. Idaho Farm Bureau representative Russ Hendricks elaborated on the benefits of Idaho grown, renewable fuels, including rural economic development, increased fuel security, and improved air quality. The Farm Bureau is planning to propose legislation requiring gasoline in Idaho to include 10% ethanol; it will be market based, so it only becomes effective when Idaho produces ethanol; and a 2 ½ cent blender's fuel tax deduction will be removed, which is expected to increase revenue by \$750,000 annually.

Chairman Winder asked how the price of gas compares to the price of ethanol. Mr. Hendricks replied that the cost to consumers is very comparable. In response to Chairman Winder's question on production costs, Mr. Hendricks responded that he did not have current information on those costs. Two years ago the average cost to produce ethanol was about 95 cents; however, with new technology, the production costs are decreasing.

In response to Member McClure's question about the energy source used to produce ethanol, Mr. Hendricks said that cellulosic ethanol, which is made from agricultural residues, is basically self-sustaining because of its high sugar content. In the Midwest, electricity produced with natural gas is generally used to produce grain ethanol. He added that less energy is utilized to produce ethanol than what ethanol produces.

Member Blick asked who owns or maintains the ethanol plants. Mr. Hendricks replied that generally the ethanol plants are owned by farmers via a cooperative. Locally-produced crops are usually used, making the plants very successful.

Chairman Winder thanked Mr. Hendricks for the educational presentation and expressed appreciation for informing the Board of the proposed legislation.

Governor's Highway Safety Summit. Dr. Michael Kyte summarized the recent Governor's Highway Safety Summit. Several focus areas, such as aggressive driving, commercial vehicles, impaired drivers, and mature drivers, were identified. The definition, problems, and possible remedies of these focus areas were highlighted. He also emphasized the importance of partnerships to address highway safety.

ISP Major Steve Jones said that law enforcement's focus is the need for a primary seat belt law and that \$4.9 million in federal funds are available for states with a primary seat belt law. He believes law enforcement presence is critical to change driver behavior, and relayed ISP's intent to request additional employees during the 2006 legislative session. He praised the excellent relationship that ISP has with the ITD Districts. In conclusion, he said the Summit was successful.

FHWA Administrator Moreno reiterated the focus SAFETEA-LU has on safety. The legislation requires each state to develop a strategic highway plan, and he believes ITD made extensive progress on this plan with the Summit. He mentioned innovative ways to address ISP's manpower concerns, as law enforcement presence is a major component in addressing highway safety. FHWA's focus is on information and outreach, specifically the benefits of wearing seat belts. He said that FHWA will continue to be a major partner on safety efforts.

Idaho Traffic Safety Commission Chairman Larry Vincent expressed appreciation for the Summit. He also stressed the importance of seat belts and more law enforcement presence.

Director Ekern thanked the gentlemen for the report and for all of the time and effort devoted to plan and conduct the Safety Summit. He said a proceedings document is being prepared summarizing the Summit and developing an action plan for the Board's consideration. It will then be submitted to the Governor. He acknowledged that there are many challenges, but believes Idaho is moving in the right direction to address safety.

Chairman Winder thanked all of the participants for their comments.

H.R. 3824 Threatened and Endangered Species Act of 2005. Dennis Clark, Environmental Section Manager (ESM) summarized the Congressional Threatened and Endangered Species Recovery Act of 2005, which amends the Endangered Species Act of 1973. H.R. 3824 was received in the Senate in September, where it was referred to the committee on Environment and Public Works. ESM Clark recommended waiting to see what the Senate offers before ITD comments on specific proposals in the legislation.

In Lieu Fee Agreement for Wetland Impacts. Vicky Jewell Guerra, Senior Environmental Planner, summarized the program ITD and The Nature Conservancy created a few years ago that allows for in lieu fee payments in situations where other wetland mitigation options are limited. As a result of The Nature Conservancy's recent decision to focus its efforts on core projects, the Fish and Wildlife Foundation has approached ITD about continuing the project, with modifications as necessary. She stated that a statewide approach is being taken and staff will continue working on the details with the Fish and Wildlife Foundation.

Chairman Winder thanked Ms. Guerra for the update and expressed support for this partnership approach.

Public Transportation Division New Funding Discussion. Public Transportation Administrator (PTA) Larry Falkner summarized changes in Federal Transit Administration (FTA) funding as a result of SAFETEA-LU. He elaborated on the match requirements and flexibility of the funds in

the various programs. The Department has three years to obligate FTA funds. The overall intent of the funding is to provide services. PTA Falkner said that after the federal rules and regulations are established, staff will conduct a workshop with the Board on public transportation.

Member McHugh mentioned the recent fixed route service established in the Coeur d'Alene area and commented that the communities served are quite pleased with the service.

Chairman Winder thanked PTA Falkner for the information.

Headquarters and District 3 Operations Facilities. ES Spoor summarized yesterday's discussion on the desired type and size of office space, organizational components, potential partners, and location criteria for Headquarters and District 3. Three different sites are being considered: administrative or office space, operations and specialized functions, and Boise maintenance.

Member McHugh made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, 21st century Department of Transportation facilities represent
ITB05-60 administration, project delivery, and operations; and

WHEREAS, the prospect of new Idaho Transportation Department facilities opens up the opportunity for organizational efficiencies, partnering, and improved customer service; and

WHEREAS, specialized functions that are not conducive in an office environment should be co-located at an operational location.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves the concept of three locations:

- Administrative and Project Delivery Headquarters Facility with preference to the current location
- District 3 Operations and Specialized Headquarters Functions Facility
- Boise Maintenance Portion of District 3 Facility

Facilities – Idaho State Building Authority (ISBA). BSM Chase recommended utilizing the ISBA to act as the “developer” for replacing and relocating the Headquarters and District 3 facilities. The advantage of using the Authority is that the associated profit and risk are mitigated, resulting in a lower overall cost to ITD. Legislation is required through the Joint Finance and Appropriations Committee as a concurrent resolution to partner with ISBA. A presentation to the Committee is expected in order to demonstrate the financial aspects of the project. BSM Chase added that the goal with the project is to successfully leverage the Department's existing assets for a new facility for Headquarters and District 3.

Member Blick made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board recognizes that an investment in ITB05-61 capital facilities is an important element of a 21st century transportation department; and

WHEREAS, Headquarters and District staff has assessed the administrative facility needs and present location of Headquarters and the District 3 facilities; and

WHEREAS, the assessment concludes that these facilities are in substandard condition and need to be replaced and relocated; and

WHEREAS, it is the intent to own and lease to own administrative and operations facilities.

NOW THEREFORE BE IT RESOLVED, that the Board directs staff to proceed with securing legislative approval to partner with the Idaho State Building Authority to acquire a new Headquarters and District 3 facility.

Old/New Business. Staff requested guidance on an action item requested in June 2003 related to safety projects. It requested concurrence that with the briefings that have been provided on SAFETEA-LU's safety emphasis, the Board's safety initiative, and the recent Highway Safety Summit, the required action has been completed. Vice Chairman Combo commented that the Safety Summit will result in ongoing actions. Member Miller asked if safety components are identified in projects. Director Ekern replied that basically all projects have a safety component; however, not every project is tracked for its safety aspect.

Vice Chairman Combo made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the United States of America, Environmental Protection Agency ITB05-62 (EPA), filed a lawsuit against the Idaho Transportation Department over the construction of US-95, Bellgrove to Mica, known as Project #NH-CM-5110 (119), key #2815; and

WHEREAS, trial is scheduled for June 6, 2006 through June 11, 2006; and

WHEREAS, the parties engaged in mediation to resolve the litigation.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board

authorizes Deputy Attorney General Vogt and Director Ekern to proceed with negotiation and resolution of the EPA lawsuit on the US-95, Bellgrove to Mica project.

Vice Chairman Combo made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, Mica Bay Property Owners Association, Inc. (Property Owners) ITB05-63 filed a lawsuit against the Idaho Transportation Department and Scarsella Brothers, Inc. over the construction of US-95, Bellgrove to Mica, known as Project #NH-CM-5110(119), key #2815; and

WHEREAS, trial has not been scheduled yet; and

WHEREAS, the parties engaged in mediation to resolve the litigation.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board authorizes Deputy Attorney General Vogt and Director Ekern to proceed with negotiation and resolution of the Property Owners lawsuit on the US-95, Bellgrove to Mica project.

Vice Chairman Combo made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board recognizes the need to carry forth a ITB05-64 fiscally constrained and complete program of projects in the Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Board recognizes the need to ensure that all projects in the STIP comply with Idaho Transportation Department and Federal Highway Administration policies and guidelines; and

WHEREAS, the 2005-2009 STIP contained a large number of projects which were shown at that time in a defined construction year; and

WHEREAS, the Board recognizes that there are uncertainties associated with funding estimates that existed at the time of the 2005-2009 STIP; and

WHEREAS, the Board recognizes that the 2006-2010 STIP contains the said large number of previously scheduled projects in the Contingency category, with the construction funding level of zero; and

WHEREAS, the Board recognizes the need for a review of the current programming practices; and

WHEREAS, an example of one programming approach is shown as Exhibit 312, which is made a part hereof with like effect; and

WHEREAS, the Board policy B-11-02 requires the Board to select projects to be included in the STIP based on realistic plans and estimates of funding and other resources; and

WHEREAS, the Board also recognizes that many of the previously scheduled projects now in the Contingency status represent a “first in time” priority for construction of those projects showing in the STIP in Preliminary Development.

NOW THEREFORE BE IT RESOLVED, that the Board directs Department staff to recommend no later than the Board’s regular February 2006 meeting, a next generation system for highway program development and management and a transition proposal to move from current programs and practices to the next generation approach.

Member Miller said he learned recently that the International Fuel Tax Agreement prohibits truckers from reporting fuel purchased on Idaho Indian reservations as taxed. He believes that is encouraging, and although it captures the diesel sold, does not address gasoline.

WHEREUPON, the Idaho Transportation Board’s regular monthly meeting officially adjourned at 3:35 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
December 14, 2005
Boise, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

October 27, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 1:30 PM on Thursday, October 27, 2005, pursuant to legal notice. The following principals were present at the Idaho Transportation Department in Boise:

Charles L. Winder, Chairman
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Charles Rountree, Deputy Director
Steve Hutchinson, Chief Engineer
Karl Vogt, Deputy Attorney General

Gary Blick, Member – District 4, participated in the meeting via teleconference.

Executive Session on Legal Issues, Section 67-2345(1)(a), (d) and (f), Idaho Code. Member Sweeney made a motion to meet in executive session at 1:30 PM to discuss issues in accordance with Idaho Code 67-2345(a), (d), and (f). Member Miller seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on personnel issues, confidential information and pending and potential litigation.

The Board came out of executive session at 2:50 PM. No decisions were made.

Selection of Connecting Idaho Program Manager. Nestor Fernandez, Grant, Anticipation, Revenue Vehicle (GARVEE) Program Administrator (GPA), summarized the efforts the Department has taken for the selection of a Connecting Idaho Program Manager. Two firms submitted proposals and were interviewed by a committee. Both consultants are well qualified and scored competitively in the process. He summarized the strengths and weaknesses of both firms.

Chairman Winder asked if the selection committee has a recommendation on which consulting team to hire. GPA Fernandez reiterated that both firms have excellent experience; however, based on the technical proposal and the interview, the committee recommends Parsons Brinckerhoff in association with HDR Engineering, Inc. (PB/HDR).

Member Sweeney asked if an award could be made to both firms. Director Ekern replied that, due to the close technical ratings of the two groups and both having unique skills, the two firms could be asked to merge and work on the Connecting Idaho initiative jointly. Each could be assigned different corridors. An acceptable agreement would be negotiated with all parties. In response to Member Sweeney's question on whether a joint award like this has been done elsewhere, Director Ekern replied yes. In a situation comparable to the Connecting Idaho initiative, a joint award was made in South Carolina a few years ago. It was successful.

Member McClure commented on the political nature of the Connecting Idaho initiative. The legislature is required to approve the GARVEE bonding appropriations annually. He also commented on the fact that Washington Group International and CH2M HILL are, essentially, Idaho firms and have been doing business in the state for many years. Both companies are well known in the state. Director Ekern replied that the request for proposal focused on the technical aspects of completing the construction projects, however, in the interviews, each firm was asked about its efforts to work closely with the Board, the Governor, the Legislature, and other entities.

Member McClure acknowledged that both firms are well qualified. Because the technical proposals are so competitive, he believes other factors should be considered in the selection process. Because the Washington Group International/CH2M HILL team are well known in Idaho and have been contributing to the state's economy for many years, Member McClure made a motion, seconded by Member McHugh, to award the GARVEE Program Manager to Washington Group International/CH2M HILL with conditions, as shown in the resolution below. Member Blick expressed concern that this firm's financial component did not appear as strong as PB/HDR's. He requested an additional condition be included that addresses the bonding and financial assistance that may be required. Members McClure and McHugh concurred with the revision to the resolution to include a financial condition.

RES. NO. WHEREAS, the Governor signed into law the Connecting Idaho-Grant
ITB05-56 anticipation Revenue Vehicle (GARVEE) funding program in April
2005 to advance critical construction projects; and

WHEREAS, the Idaho Transportation Department (ITD) strives to make available to the citizens of Idaho the finest transportation system via multi-modal, multi-lane, high performance corridors; and

WHEREAS, ITD is always seeking innovative and new financial tools to improve the transportation network for Idaho such as the GARVEE bonding program; and

WHEREAS, the Connecting Idaho projects will expand and improve the

transportation infrastructure and will increase commerce and public mobility for the State of Idaho; and

WHEREAS, the transportation infrastructure in Idaho is essential to the economy of the state, linking manufacturers to commerce, farmers to other markets, and people to their places of employment; and

WHEREAS, the Department is seeking assistance from experienced consultants to act as the Connecting Idaho-GARVEE Program Manager; and

WHEREAS, the Idaho Transportation Board endorsed the use of a consultant program manager as the most efficient process to manage and develop these transportation improvements and to meet the traveling public's expectations; and

WHEREAS, the Connecting Idaho-GARVEE projects are shown in the current Statewide Transportation Improvement Program and are of regional and statewide importance to the traveling public; and

WHEREAS, the Board agreed to not increase Department staff to manage the GARVEE Program; and

WHEREAS, the Idaho Transportation Board agreed that the GARVEE Program would not affect projects identified on the FY05-09 Program; and

WHEREAS, the Board recognizes that the result of this program will allow Idaho to improve its infrastructure to compete economically on a regional, national, and international basis and generate more jobs for the citizens of Idaho.

NOW THEREFORE BE IT RESOLVED, that the Board approves the selection of the joint venture Washington Group International/CH2M HILL as Connecting Idaho GARVEE Program Manager with the following conditions:

- that the proposal be modified to clearly remove WGI/CH2M HILL from current engagement in contracts ongoing or under consideration in the identified Connecting Idaho GARVEE eligible corridors that are in final design as described in the Request for Proposals;
- that the proposal be modified to include an acceptable incentive/disincentive compensation program based on true project cost savings;
- that the proposal be modified to include a no cost 90 day quick start up process while contract negotiations are completed; and
- that the proposal be modified to include the provision of bonding and financial

assistance as requested by the Idaho Housing and Finance Association.

Member Miller said he was privileged to attend the consultant interviews. He concurred that both teams are extremely qualified, making the decision very difficult. He believes PB/HDR's incentive/disincentive proposal was preferable to WGI/CH2M HILL's.

Member Sweeney disagreed with Member McClure's reasoning to select WGI/CH2M HILL. The Department needs a program manager, and he believes PB/HDR has the experience with managing programs that ITD needs. Additionally, he is concerned that the WGI/CH2M HILL proposal did not include a disincentive in its financial package. He also expressed concern that he only received the packet of information yesterday, and did not have sufficient time to review the information.

Member Sweeney made a substitute motion to award the Program Manager to the combination of WGI/CH2M HILL and PB/HDR, per an acceptable agreement negotiated by all parties.

The substitute motion died due to a lack of a second.

Member Miller said he does not believe the selection should be based on politics. If the GARVEE Program is a good program, it should obtain legislative approval regardless of the consulting firm chosen as the Program Manager. Chairman Winder commented that both Washington Group International and CH2M HILL were part of the coalition that helped pass the Connecting Idaho initiative. He does not believe the legislature will make future decisions on the GARVEE Program based on the consultant chosen as the Program Manager.

Member Sweeney said he intends to vote no on the motion. He does not believe the Department is getting the right program manager. He objects to selecting the consultant via a political process.

Member McClure stated that the word "political" may have been inappropriate; however, he believes WGI/CH2M HILL is the better candidate to work with other entities such as the legislature and local agencies.

The motion passed 4-1 by roll call vote, with Member Sweeney dissenting.

Member McHugh supported the motion because WGI and CH2M HILL have been in Idaho for many years. Their employees have been contributing to the state's economy through sales tax, income tax, and property tax. He supports the "Buy Idaho" concept. Member Blick concurred. He added that when two firms are so competitive and either could do the job competently based on the technical aspects, other, intangible items have to be considered.

Member McClure said he discounted the fact that WGI and CH2M HILL both have excellent credentials with managing projects but not programs because he knows both companies. He knows their work and that they are capable of program management. He also believes that the lack of program management experience is adequately addressed in the conditions that have been identified with the selection of the joint venture.

Chairman Winder commented that the Board has the authority to select the firm it believes is the most qualified to assist with establishing and completing a successful GARVEE Program. He stated that as chairman, he only votes to break ties; however, he respects and supports the decision that was made. ITD needs a strong team, as a lot of work needs to be done on the GARVEE Program, including annual legislative appropriations. He believes a good process was established to select the Program Manager. He thanked all of the participants, including the committee members and consultants, as he realizes it was a time-consuming, intensive process.

WHEREUPON the special session of the Transportation Board adjourned at 4 PM.

-----signed-----
CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and approved
December 14, 2005
Boise, Idaho

WORK SESSION AND REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

October 12-13, 2005

The Idaho Transportation Board met at 8:30 AM, on Wednesday, October 12, 2005, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

Bruce Sweeney, Member – District 2, participated in most of the two-day session via video conference from the District 2 Office.

Headquarters and District 3 Facilities. Business and Support Manager (BSM) Kathy Chase presented a strategy using a request for qualification process to replace the Headquarters' and District 3 facilities. Extensive discussion followed on the topic, including the next step: determine if the facilities will be relocated and then explore options or request options from the development community and then determine if the facilities will be relocated, and which method to use: the development community or the traditional method. Concern was expressed that another state agency may request ITD's facilities to meet its needs. It was also stated that if the facilities are relocated, the Department needs to plan for future growth and expansion: ensure that the new site will be capable of accommodating future needs and growth of the Department.

Member McHugh joined the meeting during this discussion.

The consensus of the Board was for staff to continue with the process to explore relocating the Headquarters and District 3 facilities. It emphasized the need to keep the Board informed during the process and seek approval on decisions.

Overview on Concrete. Materials Engineer Jeff Miles said the thickness design of concrete pavement is determined by a computer program that takes into account the needed design factors: traffic, sub-grade strength, reliability and serviceability, concrete strength, and drainage. ITD's specifications require a minimum thickness of 12" for interstates and 9" for all other routes. Currently, the cost of freshly mixed concrete is \$100 per yard; rigid concrete per lane mile runs

\$120,000 to \$150,000; the cost of asphalt concrete per lane mile is \$60,000 to \$70,000; and the design life of concrete versus plantmix is 40 years versus 20 years, respectively.

Chairman Winder commented that some high-volume intersections are rough. He encouraged staff to consider traffic volumes when designing intersection projects to provide a smoother surface. He thanked Materials Engineer Miles for the informative presentation.

Chairman Winder welcomed Senator Skip Brandt to the meeting. He thanked Senator Brandt for his assistance in the legislature and for his service to the state.

Rest Area Program. Director Ekern reiterated that in ITD's visioning process, Idahoans indicated, among other things, a desire for a quality of life that respects history and protects the environment. He believes rest areas are an important element of quality of life.

Maintenance Engineer (ME) Dave Jones provided a historical overview on rest areas and recent agency practices. He discussed several topics and answered various questions that the Board has asked staff to address in the past. Regarding partnerships, ITD explores partnerships such as land donations. It also has memorandums of agreement with the Department of Commerce for some facilities. ME Jones believes rest areas could be constructed in interstate medians if ample space is available. Regarding establishing a separate pool of funds for rest area projects, ME Jones said the funds are insulated, but not isolated. Funding is being committed to rest areas on an annual basis, however, if rest area projects are delayed, the funding has to be spent on other projects. Rest Area Program funds cannot be used for maintenance of the facilities because that is not an authorized expenditure in the federal program. State funds have to be used for maintenance. In conclusion, with the move to a performance based program, rest area projects' status will be better defined. The Board will have a clearer understanding of the project schedule.

ME Jones said with the Board's adoption of a separate Rest Area Program in July 2004, staff completed a statewide needs assessment on existing rest areas, hired a rest area program manager, Parametrix Inc., and is completing efforts to define the delivery approach and scope of the program. Consultant Jeff Peacock, Parametrix, elaborated on its work to date. The program focus is project delivery, customer satisfaction, and transparent stakeholder involvement. It is also seeking opportunities to leverage funding through long-term partnerships. Additionally, Parametrix's mission is to identify potential business process improvements consistent with more efficient delivery of the Program; develop performance measures similar to ones already in place for other programs; and provide strategic support to the program administrator. ME Jones added that they will be meeting with all of the Districts, reviewing all of the facilities, and refining the Rest Area Program.

In response to Member Blick's question on the feasibility of combining the Hollister Rest Area

and Port of Entry, ME Jones said he does not know at this time if that is a viable option. Combining the facilities will be explored; although there are conflicts with co-located facilities. He emphasized that he welcomes the Boards' input and guidance on these issues.

Discussion was also held on the importance of well-maintained facilities. ME Jones asked if there is interest in exploring contract options for rest area maintenance, such as a statewide maintenance contract. The consensus of the Board was to have staff research options and provide a recommendation to the Board.

Chairman Winder thanked ME Jones and Mr. Peacock for the presentation.

Joint Finance and Appropriations Committee (JFAC) Tour. Chairman Winder said he attended the JFAC tour in District 1 Monday. Overall, he believes the ITD presentation was well received; however, he expressed concern that legislators are hearing ITD employees' concerns that highway projects are being dropped from the Statewide Transportation Improvement Program (STIP) because of the Connecting Idaho initiative and other Program commitments such as the Rest Area Program. He asked that a fact sheet be prepared to ensure staff understands the various aspects that impact the development of the STIP, such as the need to provide funds to cover prior-year cost increases.

Environmental Stewardship and Context Sensitive Solutions. Staff has been developing an Environmental Stewardship Policy for the Department and preparing a Context Sensitive Solutions Guide to aid in institutionalizing the policy, according to Chief Engineer Steve Hutchinson. Context Sensitive Solutions is a new approach to transportation planning that recognizes the wide societal impacts of transportation. The emerging national definition of Context Sensitive Solutions is: *"...a collaborative interdisciplinary approach that involves all stakeholders to develop a transportation facility that fits its physical setting, and preserves scenic, aesthetic, historic, and environmental resources, while maintaining safety and mobility."*

Consultants Marjorie Mauldin and Skip Spensley elaborated on this concept and the work undertaken to develop a policy for the Department. CE Hutchinson provided a draft policy, Environmental Stewardship, for the Board's review. He asked the Board to provide comments on the policy and staff will finalize it for Board approval at the November meeting.

Chairman Winder thanked the group for the presentation and the efforts being made to address environmental concerns.

Red-Light Running in Idaho. Lance Johnson, Traffic and Highway Safety Engineer (THSE), said there were 696 reportable crashes in Idaho where one or more of the drivers ran a red light in 2004. These crashes resulted in 4 fatalities and 488 injuries. The City of Boise had the most

crashes, 251, but also has approximately 360 of the 860 signalized intersections.

Measures to address unintentional red-light running include improving signal visibility; increasing the likelihood of stopping by installing signal-ahead signs, advance-warning flashers, advance transverse rumble strips, left-turning signal signs, appropriate traffic signal timing, and maintaining good pavement surface conditions; eliminating or reducing the need to stop by removing unnecessary signals, building roundabouts or redesigning the intersection, and improving signal coordination and timing; and improving signal conspicuity. Intentional red-light running is an aggressive driving behavior. Countermeasures for aggressive driving include education, enforcement, and selective traffic enforcement program teams.

Studies have shown that red-light running cameras are effective in reducing red light violations and intersection crashes. Legislation would be required to allow for red-light running cameras in Idaho. Some discussion followed on the Board's desire to pursue automated enforcement.

Chairman Winder thanked THSE Johnson for the information. He also acknowledged THSE Johnson's resignation, effective the end of this month. THSE Johnson will be working for FHWA. Chairman Winder commended him for the exceptional service he provided to ITD and said his service and expertise will be missed.

Fuel Price Escalation in Contracting. Assistant Chief Engineer – Operations (ACE-O) Greg Laragan summarized a recent meeting with Associated General Contractors of Idaho representatives concerning the escalating fuel costs. Although the price of fuel has been slowly increasing over the past several years, a significant increase was noted on August 8. The fuel cost increase has greatly impacted construction contractors, and several have requested relief in the form of compensation for fuel escalation not accounted for in the bidding process.

ACE-O Laragan said the current policy is to allow a price adjustment for projects that are scheduled for more than a single construction season and then only allows compensation for price increases that occur after the first 365 calendar days of the contract. FHWA policy limits federal participation in fuel price adjustments to contracts that include a fuel price escalation specification at the time of bid. Staff is drafting a fuel price adjustment specification that adjusts prices on categories of work that are considered to be fuel usage intensive. Additionally, staff reviewed all projects that were under construction or awarded as of August 2005 to date. This list includes 63 projects. An analysis was made of the work items remaining as of August 8, 2005, because of the significant cost increase on that day. This analysis resulted in a preliminary estimate for a total adjustment of between \$700,000 and \$1.2 million.

The general consensus of the Board was to support exploring fuel price adjustments for contracts as of August 8, 2005. See later minute entry.

Executive Session Legal Issues, Section 67-2345(1)(f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 4 PM to discuss legal issues. Member McHugh seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on legal matters related to the US-95, Mica Bay project.

The Board came out of executive session at 4:55 PM. No decisions were made.

WHEREUPON the meeting recessed at 4:55 PM.

October 13, 2005

The Board reconvened at 8:30 AM on Thursday, October 13, 2005, at the Idaho Transportation Department, Boise, Idaho. All members were present except Chairman Winder. (Member Sweeney participated via video conference.) Vice Chairman Combo presided.

September 22-23, 2005 Board Minutes. Member Blick made a motion to approve the minutes of the regular Board meeting held on September 22-23, 2005 as corrected. Member McHugh seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

November 16-17, 2005 – Boise

December 14-15, 2005 – Boise

January 21-22, 2006 – Boise

Consent Calendar. Member McClure made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB05-50 approves the appointment to the Public Transportation Advisory
Council, District 3 and the 2005-2006 winter maintenance standards, and has
received and reviewed the contract award information, the new and supplemental
professional agreements report, the annual report on speed zone changes by city
ordinance, and the August financial statement analysis

1) Appointment to the Public Transportation Advisory Council (PTAC), District 3. The Division of Public Transportation has been seeking applications for a PTAC member to replace General James Brooks as the District 3 representative. Staff recommends appointing Kathleen Simko, President of Ida-Ore Planning and Development Association, Inc., dba Sage Community

Resources, a non-profit council of governments providing regional strategic planning assistance and grant writing and grant administration. Ms. Simko's term would expire June 2008.

2) 2005-2006 Winter Maintenance Standards. A team was established to conduct a statewide review of winter level of service and the definition of level of service. Changes were made to the winter maintenance standards map to provide more statewide consistency. Changes were also made to the level of service definitions to provide better direction to field personnel, and Administrative Policy A-05-06, Winter Maintenance Standards on State Highways, was revised to provide better policy direction to District Maintenance Managers. The 2005-2006 winter maintenance standards map is shown as Exhibit 310, which is made a part hereof with like effect.

3) Contract Award Information. Key #9098 – I-90B, Mullan Business Loop, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$147,233.

Key #9097 – I-90B, Osburn Business Loop, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$370,298.

Key #9707 – Washington Street Railroad Bridge, Montpelier, District 5. Low bidder: Cannon Builders Inc. - \$169,545.

Key #9112 – SH-21, Banner Summit to Vader Creek, District 4. Low bidder: HK Contractors Inc. - \$2,887,602.

Key #9679 – FY05 Pavement Overlay, Canyon County, District 3. Low bidder: Central Paving Company, Inc. - \$862,662.

4) New and Supplemental Professional Agreements Report. From September 1 through September 23, the Consultant Administration Unit processed \$2,203,860 in professional, supplemental, and term agreements.

5) Annual Report on Speed Zone Changes by City Ordinance. Throughout the state, there are 51 locations in 26 cities where cities have imposed speed limit changes that have gone against the recommendations of the Department since legislation was enacted in 1997 allowing incorporated cities to establish speed limits within their jurisdiction on sections of the State Highway System. Authority to establish speed limits within highway sections with access control Types 4 and 5 is retained by the Department. The results from studies done since implementation of city-imposed speed limits through 2005 suggest drivers are more inclined to disobey city-imposed speed reductions. The data shows better conformance to speed limits established by standard engineering practices.

6) August Financial Statement. Total federal aid revenue was \$18 million, or 29% below projections in August. Revenue from the Highway Distribution Account was \$136,000 or .5% above projections. Expenditures for personnel and operating were less than budgeted, while capital equipment was essentially on target. In Contract Construction, the federal program was ahead of spending projections by 24% and the state program was 22% ahead of projections.

Aviation fuel tax revenue through the end of August was 24% ahead of projections. This high variance is not expected to continue. Miscellaneous revenue was 11% below forecast. Overall expenditures were less than last year due to less Trustee and Benefit payments.

In the Aircraft Operations Fund, the August revenue was \$18,500 behind projections. Personnel expenditures were similar to last year.

Board Items. Member Miller commented on proposed federal legislation to reform the Endangered Species Act. He asked staff to review the legislation and, if ITD supports it, requested a letter of support be sent to Idaho's Congressional Delegation.

Member McHugh commented on the proposed changes to the Motor Carrier Advisory Committee. He believes the Committee plays an important role, particularly to the Board, and thought the Board should have been consulted on the proposed revisions.

Member Blick said the Greater Twin Falls Area Transportation Committee asked about changes to historical sites in the new federal transportation bill. He asked Director Ekern to get on the agenda at a future Committee meeting to discuss the Safe, Accountable, Flexible, Efficient Transportation Equity Act – a Legacy for Users (SAFETEA-LU), particularly the historical component.

Member Blick said he has received a number of phone calls recently on two resurfacing projects completed in the Twin Falls area. The roads appeared to be in good condition before the resurfacing projects, so the constituents questioned the necessity of the projects. A future presentation will be scheduled on resurfacing projects and the program update process.

Department Activities. Director Ekern reported on work underway to establish the Idaho Air Transportation Investment Forum. Two planning meetings have been held to date.

As a follow-up to yesterday's discussion on red-light running in Idaho, Director Ekern asked for guidance on pursuing legislation to allow automated enforcement. The consensus of the Board was that the installation of red-light cameras was a local issue and a law enforcement issue. The Board will not take the lead on a proposal; however, it would be receptive to supporting legislation to address red-light running.

Director Ekern reiterated the efforts underway on environmental stewardship. He commented on recent discussions regarding the Endangered Species Act and said another component is ITD's coordination with resource agencies. A meeting was held recently with officials from these various agencies. Plans are to streamline the process. FHWA Division Administrator Steve Moreno added that with the additional funds Idaho will be receiving through SAFETEA-LU and with the Connecting Idaho initiative, the Department will have more projects to complete. Revising the process with the numerous parties involved in project development is imperative. Experiences of other states will be reviewed as part of this improvement process.

Brent Inghram, FHWA Environmental Manager, provided a brief overview on the Endangered Species Act, which requires consultation. He said there are different levels of protection and various organizations compile lists of endangered species.

Vice Chairman Combo thanked the gentlemen for the report and for their efforts on this important issue.

Grant Anticipation Revenue Vehicles (GARVEE) Memorandum of Agreement (MOA) with Idaho Housing Finance Association (IHFA). Controller Dave Tolman presented an MOA prepared for ITD and IHFA to implement the Connecting Idaho GARVEE Program as required by Senate Bill 1183. The agreement outlines each party's roles and responsibilities. Due to time constraints, Vice Chairman Combo asked that this item be revisited after the Employee Service Awards.

Employee Service Awards. The Board participated in the semi-annual employee service awards. Member Miller provided comments on behalf of the Board. Numerous national and regional awards were also presented, including from the American Association of State Highway and Transportation Officials and American Association of Motor Vehicle Administrators.

GARVEE MOA with IHFA, Revisited. Member McHugh made a motion, seconded by Member McClure, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Fifty-eighth Legislature of the State of Idaho passed Senate Bill ITB05-51 1183, authorizing the Idaho Transportation Board to use federal transportation funds for the payment of principal, interest, and other financing costs incurred from bonds issued by the Idaho Housing and Finance Association; and

WHEREAS, the Governor signed into law Senate Bill 1183; and

WHEREAS, agreements between the Board, the Idaho Transportation Department, and Idaho Housing and Finance Association are required to implement the issuing of

bonds and clarifying relationships, roles, and responsibilities in managing a GARVEE bonding program for federal-aid projects.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the Board Chairman and Director to execute the Master Financing Agreement.

Idaho State Library Storage Building Located at 877 North Rose Street. BSM Chase said a lease dated September 1966, states that the Idaho State Library's building and improvements on ITD property would revert to the Transportation Department at the conclusion of the agreement. The two entities must agree upon the fair market value of the building and improvements. The Library indicated that ITD's staff assessment of the building's value of \$170,000 satisfies the requirement of the lease agreement.

Member McHugh asked if this appropriation was included in the Department's legislative package. BSM Chase responded that this item was not specified in the appropriation; however, the Department has the latitude within its Capital Facilities Program to expend funds for this purchase.

Member McHugh made a motion, seconded by Member Sweeney, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho State Library has expressed the desire to vacate the library ITB05-52 storage building located on the Idaho Transportation Department headquarters' site; and

WHEREAS, the ITD (Lessor) and the Idaho State Library (Lessee) have a lease agreement that states that upon termination of the lease the improvements shall revert to the Lessor; and

WHEREAS, the lease further states that the Lessor shall pay to the Lessee at termination of the lease, the fair market value of the improvements; and

WHEREAS, ITD and Idaho State Library have agreed upon the fair market value of improvements.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board directs staff to proceed with the payment of fair market value of lease improvements to the Idaho State Library upon approval by the Idaho State Land Board.

Safe Routes to Schools. Budget, Policy, and Intergovernmental Manager Julie Pipal summarized

the efforts during the 2004 legislative session to garner state funding for an Idaho Safe Routes to Schools program. While the ensuing legislation did not gain approval, it prompted ITD to establish a committee to look at how a Safe Routes to Schools program could be implemented. SAFETEA-LU includes a Safe Routes to Schools Program, which will be incorporated into Idaho's program. The legislation includes a minimum of \$1 million annually for the program and the requirement of a full-time program coordinator; however, no official guidance has been provided by FHWA yet on this new federal program.

Some discussion followed on the proposed resolution. The Board requested clarification on its role in approving the program before implementation. See later minute entry.

Contract Award. Member McClure made a motion to award the contract on STP-BR-5726(100), key #0556, SH-97, Harrison Bridge, Kootenai County, District 1 to the low bidder: Harcon Inc., Spokane, Washington - \$12,651,726.99. Member Miller seconded the motion and it passed unopposed.

Idaho Traveler Services System. ACE-O Laragan said the Federal Communications Commission has designated 511 as the national travel information number. This allows states to use a common phone number to provide travel information with the goal of improving the safety and efficiency of the highway system. In 2002, the Board authorized staff to submit a grant application to study the feasibility of implementing a 511 system in Idaho. A Steering Committee comprised of representatives from ITD, Idaho State Police, Idaho Department of Administration, State Communications Center, and FHWA was established to conduct the study. The Condition Acquisition and Reporting System-511 coalition has been determined to be the best option for ITD.

Members of the Steering Committee elaborated on the system, provided a demonstration of the telephone system and web site, and outlined the marketing efforts planned to advertise the new system. ACE-O Laragan added that there will be a training component for District personnel.

The Board commended the team for the excellent system it has developed.

Member McHugh made a motion, seconded by Member McClure, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department has developed a traveler
ITB05-53 services system to provide motorist information for increased safety,
improved travel efficiency and enhanced economic development; and

WHEREAS, numerous stakeholders with an interest in the traveler services system
have been identified; and

WHEREAS, the Idaho Transportation Board desires to involve representatives of these stakeholders in establishing the direction and priorities for management and future development of Idaho's traveler services system.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves B-01-18, Coordination with Traveler Services System Advisory Council, and establishment of the Traveler Services System Advisory Council to be structured and administered in accordance with the policy.

Old Business. Member Blick made a motion, seconded by Member McClure and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department has been working with ITB05-54 members of the Idaho Legislature and involved citizens from around the state over the last eighteen months to establish a Safe Routes to Schools program for the State of Idaho; and

WHEREAS, the United States Congress has passed the "Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (P.L. 109-59), establishing a federal "Safe Routes to Schools" program under Section 1404 of such act, the purpose of which is to 1) enable and encourage children, including those with disabilities, to walk and bicycle to school, 2) make bicycling and walking to school a safer and more appealing transportation alternative, thereby encouraging a healthy and active lifestyle from an early age, and 3) facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools; and

WHEREAS, under the federal "Safe Routes to Schools" program, no state will receive an annual apportionment of federal funds for the program of less than \$1,000,000, which funds may be used for the planning, design, and construction of infrastructure-related projects that meet the purposes of the program, and for non-infrastructure related activities (10 to 30 percent of funding) such as public awareness campaigns, education, and law enforcement; and for funding a required full-time position of "Coordinator of the Safe Routes to Schools Program"; and

WHEREAS, the Secretary of Transportation is required to submit to Congress no later than March 31, 2006, a report detailing information regarding a strategy for advancing the Safe Routes to Schools program and for the use of funds for projects and activities under the Safe Routes to Schools program, and will be issuing subsequent federal guidelines based on that report.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board acknowledges the role that ITD is required to play in the implementation of a Safe Routes to Schools program in Idaho and directs that the Director shall administer the Board-approved program for the state in accordance with Section 1404 of SAFETEA-LU (P.L. 109-59) and any subsequent federal guidelines or regulations concerning projects and activities under the program.

Member McHugh made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, recent catastrophic weather events in the Gulf of Mexico region ITB05-55 have caused significant nationwide problems, and specifically hurricanes Katrina and Rita have resulted in unprecedented damage to the oil producing and refining facilities in the Gulf; and

WHEREAS, those catastrophic events were unanticipated by contractors bidding highway projects in the State of Idaho; and

WHEREAS, those contracts bid and awarded prior to August 8, 2005 may have been based upon fuel price assumptions significantly affected by subsequent price increases caused by these events; and

WHEREAS, the Idaho Transportation Board wishes to pursue development of an equitable reimbursement method to contractors and subcontractors that may have been significantly affected by these unanticipated expenses; and

WHEREAS, the Federal Highway Administration is unable to participate in these costs and the Board recognizes that the State has no legal responsibility to retroactively adjust the contract specifications; and

WHEREAS, the Board recognizes that adjustments to affected contracts may have an impact on the funding of proposed projects.

NOW THEREFORE BE IT RESOLVED, that the Board desires that the Idaho Transportation Department explore methods to address this fuel price increase and its effect on contractors working on Department projects; and

BE IT FURTHER RESOLVED, that any reimbursement shall be verified and calculated by the Department and shall be paid by contract change order to affected contractors and subcontractors from appropriate state highway construction funding.

Member Blick asked for confirmation that the price adjustment will only apply to fuel and not other items such as asphalt. CE Hutchinson confirmed that only the cost of fuel will be considered for adjustment. He added that the Department will negotiate with the prime contractor. In response to Member Sweeney's question on the length of time the cost adjustment will be place, CE Hutchinson responded that the time frame will be part of the negotiation process. New specifications for fuel price adjustments are being developed for future contracts.

The motion passed unanimously.

Vice Chairman Combo reported that at 4 PM on Wednesday, October 12, the Board convened in executive session to discuss legal issues. The Board came out of executive session at 4:55 PM. No decisions were made.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 2:35 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
November 17, 2005
Boise, Idaho

REGULAR MEETING AND DISTRICT THREE TOUR
OF THE IDAHO TRANSPORTATION BOARD

September 22-23, 2005

The Idaho Transportation Board met at 8:30 AM, on Thursday, September 22, 2005, at the District 3 Office in Boise, Idaho. The following principals were present:

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Monte C. McClure, Member – District 3

Gary Blick, Member – District 4

Neil Miller, Member – District 5

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Karl Vogt, Deputy Attorney General

Vice Chairman Combo presided.

August 17-18, 2005 Board Minutes. Member McClure made a motion to approve the minutes of the regular Board meeting held on August 17-18, 2005 as corrected. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

October 12-13, 2005 – Boise

November 16-17, 2005 – Boise

December 14-15, 2005 – Boise

Consent Calendar. Member Blick made a motion, seconded by Member McHugh, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the request for additional

ITB05-42 consultant services for the Commercial Vehicle Information Systems and Networks and speed minute entry changes, US-95, District 3; and has received and reviewed the contract award information, the new and supplemental professional agreements report, the quarterly report on legal actions and contract claims, and the July financial statement analysis

1) Request for Additional Consultant Services for Commercial Vehicle Information Systems and Networks (CVISN). In 2003, ITD received an earmark of \$624,000 from the Federal Motor

Carrier Safety Administration to proceed with the deployment of projects related to CVISN. CVISN is the product of collaboration of state and federal agencies and motor carriers. Its goals are to provide timely access to a greater breadth of motor carrier data by all partners; provide the ability to focus safety resources on non-compliant motor carriers; improve working relationships amongst agencies; reduce redundant administration functions; and improve access to all motor carrier customer services through automation. Meyer, Mohaddes Associates (MMA) was hired to assist in the development and implementation of projects and associated administrative support. In the interest of customer service, project continuity and momentum, staff requests an additional \$200,000 for consultant services with MMA. Work will consist of further implementing enhanced e-screening of motor carriers, consolidating access to state and federal motor carrier records to one screen on roadside computers, and providing associated project management and support. This will bring the total term limit to date with MMA to \$517,500.

2) Speed Minute Entry Changes, US-95, District 3. Staff conducted an engineering and traffic investigation on US-95 from milepost (MP) 174.5 to MP 176.577. Based on the speed study results, road conditions, and safety evaluation, staff recommended increasing the speed limit on US-95 from MP 174.5 to 176.577 from 55 miles per hour to 65 miles per hour.

3) Contract Award Information. Key #9331 – SH-3, St. Maries, South, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$1,685,985.

Key #8535 – US-95, Twin House Road Turnbays, Idaho County, District 2. Low bidder: Acme Concrete Paving, Inc. - \$1,125,999.

Key #7761 and #7831 – Seltice Way Bridge and Seltice Way/Seltice Bridge to Northwest Boulevard, Coeur d'Alene, District 1. Low bidder: Westway Construction Company, Inc. - \$2,834,699.

Key #5168 – 8th North Street, Canal to American Legion Boulevard, Mountain Home, District 3. Low bidder: Central Paving Company, Inc. - \$841,340.

Key #8908 – SH-8, Latah Trail, Stage 2, District 2. Low bidder: Crea Construction - \$358,427.

The low bid on key #9164 – SH-3, Mashburn Railroad Bridge, Benewah County, District 1, was more than ten percent over the engineer's estimate and staff rejected the bid.

4) New and Supplemental Professional Agreements Report. From August 1 through August 31, the Consultant Administration Unit processed \$5,472,950 in professional, supplemental, and term agreements.

5) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section since June 1, a status of current legal cases, and a report on contract claims were presented.

6) July Financial Statement. Total federal aid revenue was \$13 million, or 41% below projections in July. Revenue from the Highway Distribution Account was 3.4% below projections. Expenditures for personnel and operating were less than budgeted, while capital equipment showed a -425% variance due to a timing difference in monthly allotments and when the funds were encumbered from the issuance of purchase orders for replacement of highway equipment. In Contract Construction, the federal program was very close to spending projections and the state program was 35% ahead of projections.

Aviation fuel tax revenue through the end of July was \$72,000 or 56% less than projections. This large variance is the result of a timing issue with receipts coming from the Tax Commission. Miscellaneous revenue was 23% less than last year. No federal funds were billed or received during the month. Overall expenditures were below budgeted amounts.

In the Aircraft Operations Fund, the July revenue was 7% of estimates due to aircraft billings not being completed. Expenditures in personnel were similar to last year, while operating costs showed a 71% variance due to timing of expenditures being paid in August.

Member McHugh expressed concern with the revenue received being below the forecast. Controller Tolman stated that the report is only for one month; the first month of the new fiscal year. Staff monitors the revenue. He added that there was a timing issue with the Aeronautics' Fund. Revenue that should have been deposited into that account in July was delayed until August.

The motion passed unanimously.

Board Items. Member McHugh reported on the Peer Review of the Office of Internal Review. The opinion was favorable. It stated that Internal Review is in compliance with Government Auditing Standards. He commented that one recommendation was for more communication between the Office of Internal Review and the Executive Team.

Internal Review Manager Carri Rosti stated that she meets with staff, including Executive Team members, on a regular basis. Director Ekern added that the Executive Team has had some dialogue on this topic and he plans to revisit the issue at an upcoming meeting.

Member McHugh provided opening remarks at the recent American Association of State Highway and Transportation Officials' (AASHTO) Subcommittee on Rail Transportation

conference in Coeur d'Alene last month. He commended ITD staff for its efforts in hosting the meeting. He attended several sessions. One suggestion was for states to develop shippers' advisory boards. Some discussion followed on this recommendation. Member Blick believes it is important to work with the short lines. Because of economic and population growth, it is anticipated that freight shipped throughout the country will continue to increase. Member Miller believes it is imperative to plan for this growth, not only on the railroads, but also on highways, as truck traffic is expected to increase. Safety is also a key element that needs to be addressed. Member Blick added that the delivery schedule is a concern. Generally, rail movement is slower than via truck. He said that this is a national issue, not just a concern in Idaho.

Member McHugh commented on signing in construction work zones. It is not always clear where the construction zones are. CE Hutchinson said that the work zone safety team is continuing its efforts to establish best practices. Construction zones often have transition areas and some sites are more active than others. Vice Chairman Combo asked that the work zone safety topic be on the agenda at a future meeting.

Member McClure reported on the National Cooperative Highway Research Program (NCHRP) session he attended in California earlier this month. The focus was on land use planning and transportation. He believes Idaho is ahead of some other states in addressing these issues, particularly in the Treasure Valley. Although the local transportation committees that have been established throughout the state are valuable in addressing land use planning and transportation issues, he believes establishing regional transportation committees based on geography rather than political boundaries is imperative, something that staff should look into and report back on.

Department Activities. Director Ekern stated that the Transportation Research Board manages the NCHRP. The 20-24 series focuses on key issues facing state departments of transportation (DOTs). The intent is to review common practices and determine a good direction for these various issues. He stated that representatives from Ada County Highway District (ACHD), Community Planning of Southwest Idaho, and Ada County also participated on the NCHRP team.

DAG Vogt introduced his staff. Due to turnovers, three attorneys, Steve Schuster, Scott Campbell, and Joe Mallet, were hired during the past one and a half years. He is pleased with the experience and background of his staff.

Vice Chairman Combo welcomed the staff members. He thanked them for coming to the Board meeting and for the services they provide.

Equal Employment Office Manager (EEOM) Karen Sparkman summarized a recent 9th Circuit Court decision regarding Disadvantaged Business Enterprises (DBEs). A Washington contractor filed suit against the Washington State Department of Transportation (WSDOT). In the appeal,

the constitutionality of the state's DBE program was lost, but the appeal on whether WSDOT implemented the program constitutionally was upheld. EEOM Sparkman does not believe this decision will impact ITD's DBE program.

Director Ekern reported on the recent AASHTO annual meeting. Disaster recovery and relief was a main topic, with a focus on what state DOTs can do to improve its response to disasters and emergencies. Reauthorization was also discussed. It is believed that technical corrections to the bill are needed and may be proposed early next year. AASHTO's updated focus areas are quality, safety, and promoting transportation. Next year is the 50th anniversary of the interstate system. A celebration is being planned, with all states invited to participate. A special 2006 calendar has been published to commemorate this milestone. Director Ekern was pleased to report that two pictures ITD submitted have been included in the calendar.

Director Ekern mentioned several upcoming events. The Governor's Safety Summit will be October 19-20 in Boise. The 511 traveler information system will be launched November 1. The schedule for the legislative outreach meetings in November and December has been finalized. Staff will participate on the Joint Finance and Appropriations Committee tour in northern Idaho next month. Some of the topics to be discussed include the Grant Anticipation Revenue Vehicle (GARVEE) Program, compensation, and transportation projects in District 1.

The Legislative Interim Committee on Compensation met last month. Director Ekern reported that Chairman Winder's testimony was well received. The presentation included a request to move funds between classes. The Committee will meet next month to review recommendations.

Director Ekern reported that staff is working with FHWA on the Financial Integrity and Review Evaluation, focusing on financial stewardship and accountability. This issue also impacts local entities.

In conclusion, Director Ekern stated that the Boards and Commissions' committee at AASHTO expressed strong opposition to Congressional earmarking of transportation funds. He abstained on an AASHTO resolution to oppose DOT directors' lobbying Congress for earmarks and working with its national representatives. Director Ekern believes ITD and its Congressional Delegation have established an excellent relationship. He expressed concern that the resolution would negatively impact the partnerships that ITD has established.

National Scenic Byway and All American Road Designations. Pat Engle, Scenic Byways Advisory Committee (SBAC) Chair, was pleased to report that several Idaho Scenic Byways have received national designations. The International Selkirk Loop, which consists of the Panhandle Historic Rivers Passage and Wild Horse Trail Scenic Byway in northern Idaho, was awarded All American Road designation. It is the first international loop in the United States.

Also receiving All American Road designation was the Northwest Passage Scenic Byway in District 2.

Two other Idaho byways were awarded National Scenic Byway designation: Western Heritage Historic Byway in District 3, and the Pioneer Historic Byway in District 5. These byways are now eligible for \$25,000 in National Scenic Byway funds annually to pay for administrative costs to implement corridor management plans. Other advantages of this designation include the possibility for more project funding and greater national and international recognition through increased marketing. The marketing will help Idaho's rural economy by expanding tourism.

International Selkirk Loop Corridor Management Plan (CMP). SBAC Chair Engle said a CMP has been developed for the International Selkirk Loop, which includes the Panhandle Historic Rivers Passage and Wild Horse Trail Scenic Byway in District 1, plus two Washington State byways and a British Columbia route. The International Selkirk Loop organization has strong representation on both sides of the border. It is committed to the CMP for developing promotion, interpretation, and marketing to attract travelers and providing for tourism facilities and enhancements.

Member Sweeney made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byways ITB05-43 Advisory Committee (SBAC) on June 21, 1996, to provide advice and recommendations concerning the Scenic Byway Program to the Idaho Transportation Board; and

WHEREAS, corridor management plans (CMPs) are 1) important for the protection and orderly development of scenic byways, 2) required for National Scenic Byway and All American Road designations, and 3) key to gaining priority for National Scenic Byway funding; and

WHEREAS, International Selkirk Loop, Inc. has completed a CMP for the International Selkirk Loop, which includes two Idaho byways, the Panhandle Historic Rivers Passage and the Wild Horse Trail; and

WHEREAS, the International Selkirk Loop has been awarded All American Road designation; and

WHEREAS, the SBAC recommends Board approval of the CMP.

NOW THEREFORE BE IT RESOLVED, that the Board approves the CMP for the

International Selkirk Loop.

Elk River Back Country Byway Designation. SBAC Chair Engle reported that the Clearwater County Economic Development and the City of Elk River are requesting the designation of Elk River Back Country Byway, a route from the junction of SH-3 and SH-8 at the City of Bovill along SH-8 to Elk River and along Dent Road to the City of Orofino at the junction of SH-7. The SBAC approved the designation at its June 29 meeting.

Member Blick made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byways
ITB05-44 Advisory Committee (SBAC) on June 21, 1996; and

WHEREAS, among its purposes, the SBAC is to provide advice and recommendations concerning the Scenic Byway Program to the Idaho Transportation Board; and

WHEREAS, all local requests for Scenic Byway designation are to be submitted to the SBAC for review and consideration; and

WHEREAS, Clearwater County Economic Development and the City of Elk River with the full support of the Clearwater County Board of County Commissioners, the City of Orofino, the City of Bovill, and other local and federal entities submitted a request to designate the route from the junction of SH-3 and SH-8 to the City of Elk River and along Dent Road (STC 4783) to the junction with SH-7 in Orofino as the “Elk River Back Country Byway”; and

WHEREAS, the SBAC has found the request for this designation to comply with its established criteria, recommending Board approval.

NOW THEREFORE BE IT RESOLVED, that the Board approves the designation of the aforementioned portion of SH-8 and Dent Road as the “Elk River Back Country Byway”; and

BE IT FURTHER RESOLVED, that the “Elk River Back Country Byway” shall be so designated on the Idaho Official State Highway Map and signed as such.

Presentation – Adopt-A-Highway Groups of the Year. Member McClure presented the Payette County Sheriffs Inmate Labor Program/Work Crew and Independent Order of Foresters with plaques in recognition of their participation in the Adopt-A-Highway Program. He thanked the

groups for their service to the state.

Presentation – National Photo Contest. FHWA Idaho Division Administrator Steve Moreno was pleased to recognize ITD's entry in the 2004 Photo Opportunity competition. Pictures taken by Dan Bryant, District 3, of roadside wildflowers were national winners in two categories: Planted Native Wildflowers and Grasses and Close-ups.

Overview and White Paper on Dr. Kyte's Research Findings: Status and Action Plan. Research Program Manager (RPM) Matt Moore summarized ITD's current research program. An external program review was conducted by Dr. Michael Kyte from the University of Idaho last year. RPM Moore presented the recommendations and current status:

- 1) Research should be defined broadly, guided by clear objectives, address problems across the Department, include contract and synthesis research, include an implementation program and staff training, address short and long-term problems, be fully funded, and be accomplished in partnership with others: in progress.
- 2) The Board, Director, and Executive Management Team should designate research as a key program with adequate resources, visibility, and importance within the Department: completed January 2005.
- 3) A full-time Research Program Manager who reports directly to a Division Administrator should be hired to support research, manage its implementation, promote the research function, manage research contracts, oversee implementation of research results, participate in regional and national research councils and committees, and maintain strong relationships with state and regional research organizations: completed January 2005.
- 4) The Department should establish a research council that reports to the Executive Management Team, that is representative of all divisions, headquarters and districts to develop a research plan, and identify and approve research projects: in progress; and
- 5) A research implementation action plan should be developed that defines, synthesizes and communicates research outputs and outcomes through reports, training and other means: in progress.

Member Miller thanked RPM Moore for the informative presentation. He stated that a recent newspaper article published a new list of endangered species being proposed by Fish and Game. Due to earlier findings of endangered snails in eastern Idaho resulting in costly delays of bridge projects, he asked if this might be a potential research project. He asked staff to consider looking into project delays based on questionable scientific data related to endangered species.

Member McHugh requested lists of research projects completed during the past year and projects currently in progress. Vice Chairman Combo thanked RPM Moore for the presentation.

Department Revenue Forecast FY06 to FY11. Economics & Research Manager Doug Benzon

presented the forecast of state revenue to the Highway Distribution Account (HDA) and the State Highway Account through FY11. He expressed concern with the high fuel costs, as 68% of the revenue to the HDA is fuel tax. He said the revenue forecast was completed prior to the recent Hurricane Katrina, which has impacted the capacity and distribution of fuel, increasing costs. The special fuel tax revenue is anticipated to grow at a faster rate than the gasoline tax revenue.

Vice Chairman Combo welcomed Representative Shirley McKague to the meeting.

Draft Legislation for 2006. Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal presented the draft legislation for 2006, based on the previously-approved concepts by the Board and the Division of Financial Management. Two of the legislative ideas that the Board approved in July have been withdrawn: Airport Land Use Compatibility Planning and Temporary Vehicle Clearance Fees. No legislation has been drafted yet for the proposal on Potential Sale of ITD Property.

Vice Chairman Combo expressed concern with the Private Airport Property Owner Liability Relief legislation. He asked who would be liable if an aircraft hits an obstacle on the private property. Aeronautics Administrator (AA) Bob Martin believes Idaho Code requires the pilot to obtain permission from the land owner to use the airstrip. In response to Member Sweeney's question about identifying the private airstrips, AA Martin replied that private airstrips are identified as restricted, indicating pilots need permission to land at the site.

BPIRM Pipal stated that the liability issue of the legislative proposal in question will be reviewed before it is presented at the legislative session.

Member Sweeney made a motion, seconded by Member McHugh, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit ITB05-45 proposed 2006 legislation to the Division of Financial Management for review and approval; and

WHEREAS, the Idaho Transportation Board at the July 21, 2005 meeting approved the 2006 "Legislative IDEA Submittal Forms" as to concept and authorized Idaho Transportation Department staff to develop draft legislation for review and approval, prior to submission to the Division of Financial Management.

NOW THEREFORE BE IT RESOLVED, that the Board approves submittal of the Legislative Proposal Forms containing the proposed draft legislation to the Division of Financial Management.

GARVEE Memorandum of Agreement (MOA) with FHWA. Controller Dave Tolman presented the draft MOA between ITD and FHWA, developed to implement the Connecting Idaho GARVEE Program. The agreement outlines each party's roles and responsibilities. He added that an agreement between ITD and the Idaho Housing Finance Authority is in the initial phases of being developed and will be brought to the Board for approval upon completion.

Vice Chairman Combo commented on the language in the proposed resolution authorizing the Director to sign the MOA and updates as may be necessary. He expressed concern that major updates would not be brought before the Board. Member Sweeney asked what changes may be implemented to the MOA. Director Ekern stated that the program agent may present innovative proposals, such as streamlining the relationship between ITD and FHWA, that may be incorporated in the MOA. He emphasized that periodic reports on the GARVEE Program will be presented to the Board.

Vice Chairman Combo suggested changing the language in the proposed resolution to authorize the Director to execute the agreement.

Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Fifty-eighth Legislature of the State of Idaho passed Senate Bill ITB05-46 1183, which authorizes the Idaho Transportation Board to use federal transportation funds for the payment of principal, interest, and other financing costs incurred from bonds issued by the Idaho Housing Finance Association; and

WHEREAS, the Governor signed into law Senate Bill 1183; and

WHEREAS, agreements between the Idaho Transportation Department and Federal Highway Administration are required to implement the issuing of bonds and clarifying relationships, roles, and responsibilities in managing a GARVEE bonding program for federal-aid projects.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the Director to execute the memorandum of agreement; and

BE IT FURTHER RESOLVED, that the Director shall provide periodic and regular reports on accomplishments and activities carried out under the memorandum of agreement.

Contract Awards. CE Hutchinson reported that a protest has been filed by the second apparent low bidder on the NH-5110(132) and BR-5110(111), key #7748 and #6508 – US-95, Milepost

536 to Idaho/Canada Border and Lower Eastport Moyie River Bridge, Boundary County, District 1, project. He asked that the Board delay awarding the bid until the protest has been resolved. DAG Vogt added that a new protest appeal process has been implemented. A hearing officer will hear the protest in a couple of weeks and submit an administrative decision. The Board expressed concern with the time frame, as the project has fish windows that must be adhered to. It was suggested that this contract award be revisited. (See later minute entry.)

Member Blick made a motion to award the contract on ST-6530(652), key #7768 – US-93, Tom Cat Hill East, Butte County, District 6, to the low bidder: Western Construction, Inc., Boise, Idaho - \$8,422,514.93. Member McClure seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on ST-4200(638), key #9621 – US-12, Myrtle Turnbay, Nez Perce County, District 2, was more than ten percent over the engineer's estimate, requiring justification. The source of the engineer's estimate was the Average Unit Price Report and similar jobs within the District. The 205-030A Borrow, 303-022A ¾" Aggregate Type B for Base, and 307-010A Open Graded Rock Base, and Z629-05A Mobilization were the items accounting for the majority of the difference. While the prices received on those items are higher than expected, they are still considered reasonable given the relatively small quantities. Staff did not discover any obvious errors in the engineer's estimate and recommends awarding the project. Member Sweeney added that the other partners involved in this project will contribute additional funds to pay for the higher bid.

Member Sweeney made a motion to award the contract on key #9621 to the low bidder: Crea Construction, Lewiston, Idaho - \$285,660.30. Member McClure seconded the motion and it passed unopposed.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(a), (b), and (d), Idaho Code. Member Miller made a motion to meet in executive session at 11:30 AM to discuss legal and personnel issues. Member Blick seconded the motion and it passed 6-0 by individual roll call vote.

A general discussion was held on legal matters related to the US-95, Sandpoint Byway project; the GARVEE Program; the Twin Falls Alternate Route project; and the US-95, Mica Bay project.

The general discussion on personnel issues related to non-elective positions.

Chairman Charles L. Winder joined the executive session in process.

The Board came out of executive session at 2 PM. No decisions were made.

SH-16 from I-84 to Emmett, District 3. District 3 Engineer (DE) Eric Shannon summarized studies to date on SH-16 from I-84 to Emmett. The corridor was divided into two segments: the proposed extension from SH-44 south to I-84 and from SH-44 north to Emmett. He provided information on both segments, including history, type of access control, suitability of the alignment for intended function, local involvement to date, possible interchange locations, and current and proposed programmed projects included in the draft 2006-10 STIP.

Due to extensive development occurring west of Meridian and east of Nampa and due to spacing issues with other interchanges on I-84, McDermott Road currently appears to be the best site for SH-16 to connect to I-84, but actual location will be determined by the NEPA process. DE Shannon said a freeway with controlled access is being proposed for the route from I-84 to Emmett. He added that the alignment of the route as it enters Emmett will need to be studied. Currently, SH-16 turns 90 degrees west at Emmett.

Chairman Winder said the proposed extension of SH-16 north of Emmett to US-95 must be considered when studying the current SH-16 terminus at Emmett. He noted the high accident rate on SH-16 and emphasized the need to address the safety issues on that route. He thanked DE Shannon for the update on this important highway.

I-84/I-184 Wye Interchange Landscaping, District 3. Assistant District 3 Engineer (ADE) Damon Allen said ITD routinely expends funds for landscaping on high visibility projects, either as part of the initial construction or as separate, stand-alone projects afterwards. Funding is usually from the same source as the construction; however, stand-alone projects with local sponsors are funded through the Surface Transportation Program. The value of the landscaping varies, but is historically 10% of the construction costs for that portion of the roadway. He provided information on a number of landscaping projects completed throughout the state.

ADE Allen said landscaping the I-84/I-184 Wye Interchange was initially a part of the Phase II construction project, but the project was altered, minimized, and eventually removed due to maintenance cost concerns by the City of Boise. The estimated construction costs for minimized landscaping was 13% of the other work. The work has been shifted to two separate projects. The City of Boise has signed a maintenance agreement, but the City is struggling with its budget and is no longer eager to acquire any additional expenses. The current estimates for landscaping and architectural treatments of the entire project area are 10% of the construction costs. He said the consultant anticipates conducting public meetings on the scaled-back landscape projects by the end of this year. In conclusion, ADE Allen said FHWA mandates landscaping consideration on all federal aid projects. When certain conditions are met, a minimal degree of landscaping is required.

Chairman Winder thanked ADE Allen for the report and for the efforts to reduce the scope of the

Wye Landscaping project to address the City's concerns.

Withdrawal of Public Lands Highways Discretionary (PLHD) Funds and Outstanding Balances of Non-Formula Funds Received – Tracking Funding Deficiencies. Dave Amick, Manager of Transportation Investments (MTI), reported that approximately \$2.9 million of FY05 PLHD funds would be withdrawn from use by the Department. FHWA indicated that these funds will be redistributed for use in FY06. The funds were withdrawn because the City of Rocks Back Country Byway project could not be obligated in the current fiscal year. The District has indicated that this project will be ready for obligation early next year. For various reasons, ITD is sometimes unable to obligate discretionary funds in the year it is given. In those instances, FHWA will withdraw the funds and redistribute them in the subsequent year.

MTI Amick said throughout FY04 and FY05, ITD was awarded various non-formula funds that were allocated in installments. Near the end of each fiscal year, FHWA generally withheld the balance of these funds with the intent of allocating them to the state in the following year. As part of this ongoing monitoring process, staff tracks these deficiencies, and communicates with FHWA to ensure all funding is received.

Recommended FY06-10 and Preliminary Development Capital Investment Program and FY06-10 Statewide Transportation Improvement Program (STIP). Director Ekern outlined steps taken in developing the updated STIP, such as engaging metropolitan planning organizations (MPOs) and transportation committees to identify needed projects, and changes to the Program due to the Connecting Idaho Initiative and the Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFTEA-LU). Projects from the Divisions of Public Transportation and Aeronautics have also been incorporated into the document.

Chairman Winder relayed concerns that projects have been dropped from the Program due to the GARVEE Program. Director Ekern emphasized that no projects were removed due to the GARVEE Program. Cost overruns resulted in less money being available for capital investment projects and District priorities change over time, resulting in new projects being added to the Program and the removal of other projects.

Intermodal Planning Manager (IPM) Pat Raino reported that the STIP was developed in compliance with the Code of Federal Regulations. The multi-year, multi-modal program shows planned highway, transit, aeronautics, and highway safety projects. The document provides maps and project descriptions for ITD and MPO projects by District, MPO area, and by GARVEE-funded corridors. The draft STIP was available for public review and comment from July 22 through August 16, 2005. IPM Raino summarized the public comments received on the draft document, although the Board received copies of all of the comments submitted.

Chairman Winder thanked IPM Raino for the report and for her continued efforts to develop the STIP.

MTI Amick presented the recommended FY06-10 and Preliminary Development (PD) Capital Investment Program, including the Federal and State Highway Development Program and the Public Transportation and Aeronautics Programs. He outlined changes to the Program since the June workshop based on advances and delays per the End-of-the Year Plan approved by the Board in August; developments regarding project deliverability; a statewide balancing meeting last month; an updated GARVEE Plan from the August Board meeting; and the Budget Council's decreased forecast of available State funding in state FY07-10.

Member Miller expressed concern with the shortage of funds and the overprogrammed STIP. Additionally, he believes that projects strongly supported by state and local officials should not be dropped from the Program. He cited some examples. He emphasized that partnership projects should not be removed from the Program.

Member Sweeney expressed concern with the extensive projects and dollar amounts in PD. MTI Amick responded that staff can work on projects included in PD and that PD is a strategy to advance projects. When projects in earlier years are delayed or additional funds become available, the Department needs projects to advance. Member Sweeney does not believe investing resources in projects in PD that may not be constructed is wise. He believes PD should be limited in funding and the number of projects. Director Ekern added that the contingency program is a prioritized list of projects in PD. He stated that this discussion will be continued at the November meeting.

Member McHugh questioned the removal of the SH-5, Chacolet to Rocky Point project, which was included in the Intermodal Surface Transportation Efficiency Act of 1992. MTI Amick responded that FHWA notified ITD that due to the lack of progress on that project, the obligation authority may be removed. Chairman Winder asked if staff has been working with the Tribe on that project, and if not, to contact the Tribe for assistance to complete that project.

MTI Amick said the Pavement Preservation Program, for pavement maintenance and minor pavement rehabilitation, and the Bridge Preservation Program, for bridge maintenance activities, are intended to respond quickly to urgent and changing system conditions, requiring on-going reprioritization. Approximately \$10.3 million in FY06 and \$8.8 million in FY08 of the Pavement Preservation Program funds were not yet allocated to specific projects. Staff requests permission from the Board to define and modify projects in these areas throughout the year at its discretion; similar to the latitude already granted for pavement maintenance projects.

Member McClure made a motion, seconded by Member Miller, to approve the following

resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB05-47 to publish and accomplish a current, realistic, and fiscally constrained Capital Investment Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal and state capital investment funding; and

WHEREAS, the 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU) requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Divisions of Highways, Public Transportation, and Aeronautics have recommended new projects and updated the costs and schedules for projects in the FY06-10 and Preliminary Development Capital Investment Program; and

WHEREAS, the recommended FY06-10 and Preliminary Development Capital Investment Program was developed in accordance with all applicable federal requirements including adequate opportunity for public involvement and comment; and

WHEREAS, the recommended FY06-10 and Preliminary Development Capital Investment Program incorporated public involvement and comment whenever possible while maintaining a fiscally constrained Program; and

WHEREAS, it is understood that continued development and construction of improvements are entirely dependent upon the availability of future federal and state capital investment funding in comparison to the scope and costs of needed improvements.

NOW THEREFORE BE IT RESOLVED, that the Board approves the Recommended FY06-10 and Preliminary Development Capital Investment Program, which is on file in the Office of Transportation Investments; and

BE IT FURTHER RESOLVED, that staff is authorized to include approved projects in the FY06-10 STIP in accordance with the provisions of SAFETEA-LU; and

BE IT FURTHER RESOLVED, that the Director, or his designee, is authorized to add or remove projects to the approved Pavement and Bridge Preservation Programs as

warranted by the Department's management systems provided such changes further the goals of those Programs and remain within the annual funding levels targeted for each Program.

Vice Chairman Combo expressed concern that the Program uses the 20% GARVEE debt service limit as a target, not a cap.

The motion passed 4-2 with Vice Chairman Combo and Member Sweeney opposing.

Member Blick requested the addition of funds in the STIP to complete the Environmental Impact Statement (EIS) and possible right-of-way acquisition for the Snake River Crossing project in the Twin Falls area. He would like a commitment to continue funding that project.

Director Ekern responded that the STIP can be amended at a later time. He said the program manager may have additional changes related to the GARVEE Program. Member Blick asked if the program manager will set the priorities for the GARVEE Program, as he believes that is the Board's responsibility. Director Ekern replied that the program manager will stay within the caps and funding level. The program manager may recommend a different, more efficient schedule.

Chairman Winder requested assurance that the Snake River Crossing project will be funded through the planning process. Director Ekern replied that if the Board desires it to be funded, it will. He stated that funding the EIS for the Snake River Crossing can be a control factor for the consultant; however, the consensus of the Board was to include the Snake River Crossing project in the STIP at this time. Chairman Winder reiterated that the program agent will make recommendations, but the Board will make the final decisions regarding the GARVEE Program.

Member Blick made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department is required by 23 U.S.C. 134, ITB05-48 23 CFR, Part 450 and 49 CFR, Part 613 to develop a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Program contains a list of priority transportation projects to be carried out for the first three years of the STIP and is in conformance with the first three years of each Metropolitan Planning Organization's Metropolitan Transportation Improvement Program (MTIP); and

WHEREAS, the STIP is consistent with "*Idaho's Transportation Future: getting there together*," the Department's long range vision/planning document adopted by the Board in July 2004; and

WHEREAS, the STIP, in nonattainment and maintenance areas, contains only transportation projects found to conform, or from programs that conform, to the requirements contained in 40 CFR Parts 51 and 93; and

WHEREAS, the STIP is financially constrained by year and includes sufficient financial information to demonstrate which projects are to be implemented using current revenues and which projects are to be implemented using proposed revenue sources while the transportation system as a whole is being adequately operated and maintained; and

WHEREAS, the STIP contains all capital and non-capital transportation projects proposed for funding under the Federal Transit Act; and

WHEREAS, the STIP contains all regionally significant projects requiring an action by the Federal Highway Administration (FHWA) or Federal Transit Administration (FTA); and

WHEREAS, the STIP contains sufficient descriptive material to identify the project or phase, estimated costs, amount of federal funds proposed to be obligated during each program year, proposed category of federal funds and source(s) of nonfederal funds for the first year and likely categories and sources for the second through fourth years, and identification of the agencies responsible for carrying out the projects; and

WHEREAS, the STIP, in the first year, includes only those projects that have been selected in accordance with federal project selection requirements for non-metropolitan areas; and

WHEREAS, the STIP contains modal projects in aeronautics, bicycle/pedestrian, highways, public transportation, and rail as well as highway safety; and

WHEREAS, the STIP was developed in accordance with all applicable federal requirements including adequate opportunity for public involvement and comment.

NOW THEREFORE BE IT RESOLVED, that the Board approves the FY06-10 STIP with any changes approved at the September 22-23, 2005 Board meeting to be included in the approved STIP, which is on file in the Intermodal Planning Office; and

BE IT FURTHER RESOLVED, that the Board approves the transmittal of the recommended FY06-10 STIP to FHWA and FTA for their review and approval.

Member Miller asked if the STIP will be revisited. Chairman Winder responded that the document has to be submitted to FHWA and FTA now, but amendments may be made later. He added that a discussion will be held on PD and the contingency plan in November.

Member McHugh requested an amendment to the STIP: the addition of the US-95, Sagle to Sandpoint project in PD. There were no objections.

The motion carried 5-1 with Vice Chairman Combo dissenting.

Chairman Winder thanked staff for its extensive efforts on the STIP and Capital Investment Program.

Old/New Business. Vice Chairman Combo made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department opened bids for a project ITB05-49 known as Milepost 536 to Idaho/Canada Border and Lower Eastport Moyie River Bridge, Project #NH-5110(132) and #BR-5110(111), key #7748 and #6508; and

WHEREAS, there was a discrepancy in the written bidding documents and the computerized diskette bidding document; and

WHEREAS, the low bidder used the written bidding document and the second low bidder used the computerized diskette in preparing their bids; and

WHEREAS, the second low bidder has filed a protest seeking to have the contract rebid; and

WHEREAS, staff believes that the discrepancies in the bidding documents were of a minor or trivial nature and that it would be unfair to the low bidder to rebid the contract; and

WHEREAS, the Director has appointed a hearing officer to hear this matter pursuant to Idaho Code, Section 40-902(5); and

WHEREAS, the hearing officer will issue a recommendatory opinion that will result in a final order issued by the Chief Engineer.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board

authorizes the award of Project #NH-5110(132) and #BR-5110(111) to the apparent low bidder, Kiewit Pacific Company, Vancouver, Washington - \$12,940,000, if it is authorized in the final order issued by the Chief Engineer.

Several months ago, Vice Chairman Combo received a phone call from a trucker, expressing concerns with Canadian regulations. Division of Motor Vehicles staff visited with the trucker and appropriate officials to attempt to resolve the matter. Vice Chairman Combo made a motion authorizing Chairman Winder to submit a letter to the Canadian Minister of Transportation requesting that permits be issued to Idaho motor carriers to operate their non-conforming equipment on 13 miles of Provincial Highway #22. Member Sweeney seconded the motion and it passed unopposed.

Executive Session on Personnel Issues, Section 67-2345(1)(b), Idaho Code. Member Miller made a motion to meet in executive session at 7:30 AM on Friday, September 23 to discuss personnel issues. Vice Chairman Combo seconded the motion and it passed 6-0 by individual roll call vote.

WHEREUPON the meeting recessed at 5:15 PM.

September 23, 2005

The Board reconvened in executive session at 7:30 AM on Friday, September 23, 2005, at the District 3 Office in Boise, Idaho. All members were present.

A general discussion was held on personnel issues related to non-elective positions.

The Board came out of executive session at 8:20 AM. No decisions were made.

Following an overview on the District 3 facilities by John Larson, CH2M Hill consultant, District Business Manager Mike Cram led the Board on a tour of some of the offices and buildings. He commented on the fragmentation of sections, which reduces working efficiency, code issues, and operational costs.

The group traveled US-20 west, SH-55 north, and SH-44 west. At the intersection of SH-44 and SH-16, staff provided an overview on the proposed interchange at that site and elaborated on the SH-16 feasibility study.

Member Sweeney left the tour at this time.

The tour continued southerly on local roads, with staff elaborating on the proposed extension of

SH-16 south to I-84. Meridian Mayor Tammy de Weerd relayed the City of Meridian's strong commitment to preserving the corridor, but encouraged the Department to complete the studies and identify the corridor as soon as possible. She expressed appreciation for the working relationship that ITD and the City have established. Eagle Mayor Nancy Merrill added that the City of Eagle can provide assistance with the frontage roads that will be required on the SH-16 corridor north of SH-44. She emphasized the need for an efficient transportation system. Chairman Winder thanked Mayors de Weerd and Merrill for their commitment and support. He added the importance of working with county officials and obtaining their support for transportation projects.

The group stopped at the proposed location of the I-84 and Ten Mile Road Interchange. Following staff's summary of the proposed project, the tour continued on local roads in the Meridian area to view new subdivisions and sites of proposed development.

After lunch, the Board traveled I-84 east to the Orchard Maintenance Shed. Staff reported on the I-84 corridor study underway and the numerous interchange structures that will need to be upgraded. The Board also had an opportunity to visit with maintenance employees and learn about the maintenance operations in the area.

The tour continued east on I-84 to the Gowen Interchange, west on I-84 to I-184 and on local streets to Headquarters.

Mr. Larson provided an overview on the Headquarters' facilities. Terry Little, ACHD Traffic Engineer, described several proposals to extend 30th Street, which would impact the ITD campus. After the Board toured the Headquarters facilities, officials from the City of Boise summarized proposed projects that it would like to complete in the vicinity of Headquarters, and expressed interest in partnering with ITD on obtaining some property for the proposed developments.

Chairman Winder thanked the various parties for the information it provided on the Department's facilities. He stressed that no decisions have been made regarding the facilities, and added that the Department would like to be good stewards of its properties and resources.

WHEREUPON, the Idaho Transportation Board's tour of District 3 and regular monthly meeting officially adjourned at 4:20 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved

October 13, 2005

Boise, Idaho

REGULAR MEETING AND DISTRICT FIVE TOUR OF THE IDAHO TRANSPORTATION BOARD

August 17-18, 2005

The Idaho Transportation Board met at 8:15 AM, on Wednesday, August 17, 2005, in Pocatello, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Steve Hutchinson, Chief Engineer

Additional participants included Renee Sigel, Assistant Division Administrator, Federal Highway Administration (FHWA); Robert Skinner, Executive Director, Transportation Research Board (TRB); John DeVierno, attorney; Idaho State Police (ISP) Captain Ed Gygli; and Rodger Sorensen, Chairman, Aeronautics Advisory Board.

Tour – Pocatello Regional Transit (PRT) Bus Depot. Pocatello Mayor Roger Chase welcomed the Board members to Pocatello and thanked them for their service to the state. Ron Binggeli, PRT Director, provided a history of PRT and an overview on the services it provides and the funding it receives. The Board toured the bus depot, thanked Mayor Chase and Mr. Bingelli for their comments, and commended PRT for the service it is providing to the area.

The Board traveled I-15 north to Blackfoot. ISP Captain Gygli provided comments on law enforcement issues in the area and showed video footage of officers' pursuits of motorists. ITD staff also summarized projects in the area.

Delegation – Bingham County. The Bingham County Commissioners, Representative Joe Cannon, and other local officials met with the Board in Blackfoot. Commission Chairman Wayne Brower welcomed the Board to Bingham County and thanked it for its partnership on the Blackfoot area greenbelt project. Dave Babbitt, Public Works Director, mentioned the county's transportation master plan currently underway. A map is being developed to identify all of the major elements of the county's transportation system. It will also include a historical record of completed projects.

Chairman Winder thanked the commissioners for their leadership and commended the County

and District for the good working relationship it has established.

The Board traveled on a portion of the Blackfoot area greenbelt and participated in the dedication ceremony of the recreational trail.

The Board returned to Pocatello via I-15 south.

Workshop on the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU). Via teleconference, John Horsley, Executive Director of the American Association of State Highway and Transportation Officials summarized the recently-approved SAFETEA-LU. He believes the \$286.4 billion, 6-year bill for highways and transit will be very beneficial to the states. He was pleased that the language included guaranteed obligation authority, designating the money for transportation projects. Mr. Horsley also summarized the commissions established to review taxation and reduce tax evasion; consider the future of surface transportation, specifically the interstate system; and review the sustainability of revenue to the Highway Trust Fund.

Chairman Winder thanked Mr. Horsley for the briefing on the bill and for his extensive efforts on reauthorization.

John DeVierno, attorney representing the Five-State Coalition (Idaho, North Dakota, Montana, South Dakota, and Wyoming), believes SAFETEA-LU was successful for Idaho. The state realized increased funding for both highways and transit. He acknowledged Idaho's Congressional Delegation, particularly Senator Crapo's Office, for its efforts on the legislation. The bill has a bigger focus on safety and environmental and planning, and provides more flexibility in the corridor/border program. It includes new programs such as Safe Routes to School, Highways for Life, and Highway Use Tax Evasion Projects.

Manager, Transportation Investments (MTI), Dave Amick provided information on Idaho's funding. The state will receive approximately \$1.63 billion in apportioned funds for FY04-09. This is an approximate 30% increase over the amount received under the Transportation Equity Act for the 21st Century. He added that staff will be reviewing existing policies to determine what changes will need to be made and will also consider procedures for the new programs.

Member Miller commented on the Department's reactive budgeting process the past couple of years, partly due to the continued efforts on reauthorization. He believes staff scrambles to obligate all of the federal funds at the end of each fiscal year. He requested a discussion some time on this budgeting process.

Public Transportation Administrator (PTA) Larry Falkner summarized the transit funding

estimates. The six-year bill provides over \$100 million for transit in Idaho, including new programs: Tribal Rural and New Freedoms.

Chairman Winder asked if the federal transit programs are flexible and could be used for corridor acquisition or preservation. He elaborated on the need for the Treasure Valley to develop a long-range public transportation plan. PTA Falkner said there may be some flexibility in SAFETEA-LU, but he will research that issue.

Mr. DeVierno highlighted other elements of SAFETEA-LU. Some safety-related components include the requirement for states to develop a strategic highway safety plan and financial incentives for states with primary seat belt laws or states that have demonstrated an

85% seat belt usage rate for two consecutive years. In conclusion, he thanked the Board for the invitation to participate in the workshop and the opportunity to work for Idaho.

Director Ekern thanked the workshop participants for their reports. A team is being established to review SAFETEA-LU for implementation strategies and to determine what operational changes will be necessary.

Chairman Winder also thanked the workshop participants for their comments and for their efforts on the important legislation.

WHEREUPON the meeting recessed at 5 PM.

August 18, 2005

The Board reconvened at 8 AM on Thursday, August 18, 2005, at the District Five Office in Pocatello, Idaho. All members were present except Members John McHugh and Bruce Sweeney.

July 19-20, 2005 Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on July 19-20, 2005 as submitted.

Member Miller expressed a desire to change his vote on the FY06 Idaho Airport Aid Program, specifically the \$15,000 state match to the Hailey Airport to construct an Air Traffic Control Tower. Since July 20, he received additional information on the airport. It cannot comply with Federal Aviation Administration safety regulations, so Member Miller believes the funds would be better utilized at a facility that meets the safety requirements.

Chairman Winder believes that providing the tower for the Hailey Airport will help address a safety concern. Member Blick added that if the airport is relocated, the new facility would not be

constructed for many years, and he believes the tower is needed in the interim.

Member McClure seconded the motion and it passed unopposed.

New Business. Vice Chairman Combo said in the past, District 5 operated a booth at the Eastern Idaho Fair to inform citizens of transportation projects in the area. Because many residents from District 6 attend the fair, District 6 staff began participating in the fair booth. Recently, District 5 has not been involved with the fair booth. Chairman Combo asked if it would be participating this year. District Engineer Ed Bala replied that his staff was not planning on working the fair booth this year, but if there is a desire for District 5 to be represented, he would follow up on that. He elaborated on the District's outreach efforts throughout the year, particularly through regularly-scheduled meetings with local officials.

Board Meeting Dates. The following meeting dates and locations were scheduled:

September 22-23, 2005 – District 3

October 12-13, 2005 – Boise

November 16-17, 2005 – Boise

Consent Calendar. Vice Chairman Combo made a motion, seconded by Member Blick, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB05-34 approves revisions to IDAPA 39.04.02, Rules Governing Marking of
Obstructions to Air Flight; the annual account write-off; the request for supplemental
agreement, US-95, District 1; and the request for supplemental agreement, I-84,
District 3; and has received and reviewed the contract award information, the new
and supplemental professional agreements report, information on "Slower Traffic
Keep Right" signs, the quarterly returned check report, and the FY05 out-of-state
travel report.

1) IDAPA 39.04.02, Rules Governing Marking of Obstructions to Air Flight. In order to be consistent with the Federal Aviation Administration concerning evaluation and marking of hazards to aircraft navigation, staff proposed House Bill 40 during the 2005 session to align state and federal guidelines. With the passage of the legislation, IDAPA 39.04.02, Rules Governing Marking of Obstructions to Air Flight, needs to be modified to reflect the height at which a structure is considered a hazard to safe air flight and will require notification of construction is increased from 150 feet to 200 feet. Also, the minimum size requirements for marker balls are being changed from 54 inches to 36 inches.

2) Annual Account Write-Off. Department policy requires that all uncollectible accounts exceeding \$1,000 be reviewed and approved for write-off by the Board. The Director or his

designee reviews and approves for write-off all accounts less than \$1,000. For FY05, staff determined 228 accounts totaling \$177,504.02 to be uncollectible. It requested Board approval to write off 37 accounts totaling \$146,613.88, as shown as Exhibit 307, which is made a part hereof with like effect. This is a decrease from 90 accounts totaling \$477,517.01 in state FY04. In SFY05 there were 191 accounts for write-off under \$1,000 totaling \$30,890.14. The outstanding receivable are more than three years delinquent and are the result of unpaid weight distance taxes, commercial carrier registration fees, Department assessed reinstatement fees, and other miscellaneous fees.

3) Supplemental Agreement, US-95, Setters Road to Bellgrove, Stages 1 and 2, Key #8070 and #9146, District 1. Staff is requesting approval of a supplemental agreement in the amount of \$2,743,000 for continued construction engineering and inspection support services provided by HDR Engineering, Incorporated on the US-95, Setters Road to Bellgrove project. Approval of the requested supplemental agreement would increase the total agreement to \$4,205,000. The work to be completed includes project administration, contract submittal review, inspection, materials testing, survey quality assurance, analyze change orders, record drawings, and project close-out.

4) Supplemental Agreement, I-84, Orchard Interchange to Gowen Interchange, Key #6492, District 3. District 3 is requesting approval of a supplemental agreement in the amount of \$248,000 for additional engineering services to complete an Eight Point Access Report. Among the interchange alternatives carried forward is a proposed direct ramp to the Boise Airport at the Vista Interchange. This modification to the existing interchange design is significant enough that it requires access approval by FHWA. The supplemental agreement will also conduct a High Occupancy Vehicle Lane Feasibility Study. Approval of the supplemental agreement would increase the total agreement to \$3,242,000.

5) Contract Award Information. Key #8582 – FY05 Districtwide Bridge Repair, District 5. Low bidder: Idaho Construction Company - \$222,011.

Key #9087 – SH-33, Intersection 12 West to Junction US-20, Near Rexburg, District 6. Low bidder: H-K Contractors, Inc. - \$575,734.

Key #8888 – US-12, Dike Route, Lewiston, District 2. Low bidder: Poe Asphalt Paving, Inc. - \$674,622.

Key #9124 – US-91, Hiway Avenue to Agency Road, District 5. Low bidder: Jack B. Parson Companies - \$1,821,133.

Key #7804 – I-15B, Signal Coordination, Pocatello, Phase I, District 5. Low bidder: Power

Engineers - \$1,762,908.

Key #8922 – I-90B, Wallace Business Loop, District 1. Low bidder: Poe Asphalt Paving, Inc. - \$689,574.

The low bid on key #8837 – US-91, Chapel Road to Flandro Drive, Pocatello, District 5, was more than ten percent over the engineer's estimate and staff rejected the bid.

6) New and Supplemental Professional Agreements Report. From June 30 through July 31, the Consultant Administration Unit processed \$2,346,189 in professional, supplemental, and term agreements.

7) Slower Traffic Keep Right Signs. In response to an earlier request, staff provided information on signing to encourage slower motorists to travel in the right lane of a multi-lane highway. Staff worked with appropriate law enforcement agencies to identify areas where this signing would be applicable. District 4 has already installed four of these signs, including two on US-30 between Filer and Twin Falls.

8) Quarterly Returned Check Report. During the 4th quarter of FY05, \$13,543,663 in checks were received, while \$44,045, or 0.33% were returned. Collections of returned checks equaled \$51,231 for a quarterly collection rate of 116.32%.

9) Out-of-State Travel Report. In state FY05, an estimated 369 out-of-state trips were taken at a cost of \$265,576. The budgeted amount for out-of-state travel was \$415,720. Direct reimbursement trips are not included in the budget amount or the expenditure amount.

Board Items. Chairman Winder reported that he and Member McClure have been involved in the NCHRP team, established to explore regional transportation planning and land use issues. The group will be attending a meeting in California next month.

Department Activities. Director Ekern reported that Valley Regional Transit (VRT) has invited the Board or a Department staff member to participate on the VRT Board. This would facilitate a closer working relationship. Director Ekern provided additional information on this issue, including an earlier deputy attorney general's opinion that Transportation Board members could not serve on other boards such as the VRT Board. He requested time on the agenda under New Business for Board action on this request. (See later minute entry.)

Director Ekern expressed satisfaction with the passage of the SAFETEA-LU. Staff will continue reviewing the legislation. He added that the request for proposal (RFP) for the GARVEE Program project manager is out. He commended staff for its efforts on the RFP. The

memorandum of agreement with FHWA for the GARVEE Program has been drafted and should be available for the Board's review soon. He complimented the FHWA staff for its assistance and expediency in drafting that agreement.

CE Hutchinson reported that a new training course on construction issues, including design-build and contract provisions, is being developed through the National Highway Institute. He invited the Board to participate in that course and will provide additional information as the details are confirmed.

Director Ekern said he visited several Districts and met with numerous employees the past couple of weeks. Overall, he believes the meetings were productive, although there is continued concern about compensation. Staff has developed key issues for the upcoming Legislative Interim Committee on Compensation meeting.

Chairman Winder welcomed Representative Martinez to the meeting. He thanked Representative Martinez for his assistance during the legislative session, particularly with the Governor's Connecting Idaho initiative.

Chairman Winder said he discussed the change in employee compensation (CEC) issues with Director Ekern and Administrator, Division of Administration (ADA) Susan Simmons; however, he would like Board consensus on the issues he will present to the Legislative Committee on August 29.

ADA Simmons announced the appropriation of \$874,900 for a one-time, 1% CEC for FY06. The 2005 legislature enacted this one-time CEC to be effective if the state's general fund exceeded a certain amount. Classified and benefited temporary employees with at least a "meets expectation" rating for the last 12 months are eligible for the one-time payment, to be distributed on October 7.

ADA Simmons outlined the speaking points being developed for Chairman Winder for the Legislative Interim Committee on Compensation. A key element will be a recommendation to provide managers maximum flexibility to manage budgets and implement CEC plans. The Board approved a CEC plan for FY05 through FY07; however, the Department needs approximately \$15 million in additional personnel spending authority to implement the plan.

Although there was concern that it would be difficult to obtain authority for the additional \$15 million, the consensus of the Board was to explain the situation to the Legislature and request the full amount. The retention and recruitment of skilled, experienced employees is a concern that needs to be addressed.

Representative Martinez concurred that providing agencies with flexibility may have merit, but

he emphasized the need to look at the entire picture, including the increasing costs of Health and Welfare and the increasing prison population. He added that a number of citizens are concerned about increasing property taxes and there is a growing movement to reduce the tax burden of property owners. If that effort is successful, the legislature will have to consider other revenue sources, such as increasing the sales tax.

Chairman Winder thanked Representative Martinez for his comments.

The consensus of the Board was to have Chairman Winder express to the committee the personnel concerns and recommendations to fully address the compensation issues.

Chairman Winder welcomed Representative Elaine Smith to the meeting.

FY05 Adjustments to the Formula Federal Highway Program Based on Readiness and Available Funding. MTI Amick summarized the FY05 formula federal highway program balances as of July 29, 2005, the anticipated project removals and delays, anticipated cost increases and decreases, and list of prioritized projects to advance based on available funding. Staff will request \$47.5 million in redistribution of obligation authority later this month. MTI Amick emphasized that the list of projects to advance and delay is the Department's strategy to utilize all available federal funds. There is no guarantee that any of the projects will be advanced or delayed, and although the list is prioritized, the projects would be advanced on a first-come first-served basis.

Member McClure made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department ITB05-35 to accomplish a current, realistic, and fiscally constrained Highway Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available highway funding; and

WHEREAS, the Transportation Equity Act for the 21st Century (TEA-21) of 1998 requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, as of July 29, 2005, there is a Highway Program funding balance in FY05 of \$9.1 million; and

WHEREAS, projects have been identified that will delay or be removed from FY05 totaling \$21.5 million; and

WHEREAS, federal projects have been identified that will require cost increases or provide cost decreases for a net total of \$18.8 million; and

WHEREAS, a list of prioritized projects has been identified that can advance to FY05 of the current STIP; and

WHEREAS, the result of these proposed delays, cost increases and decreases, and advances will fully utilize estimated FY05 federal highway formula funding obligation authority of \$207.3 million and Minimum Guarantee funding of \$25.8 million (including Exempt Minimum Guarantee); and

WHEREAS, there is a projected Highway Program funding balance in FY05 of \$31.8 million; and

WHEREAS, the Department will request \$47.5 million in additional federal formula FY05 obligation authority from other states.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes staff to advance projects from the list entitled “FY05 Federal Highway Program Prioritized Project Advances and Projects Requested for August, 2005 Redistribution of Federal Formula Obligation Authority”, as shown as Exhibit 308, which is made a part hereof with like effect, in priority order as funding becomes available and projects are made ready for obligation; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the FY05-09 STIP in accordance with the provisions of the TEA-21.

Version #3 of the Connecting Idaho – GARVEE Plan. MTI Amick stated that the Grant Anticipation Revenue Vehicle (GARVEE) Plan will continue to evolve over the next several years as Idaho’s constituents provide comments, project concepts are reviewed, and project development techniques are modified. He presented a revised GARVEE Plan that attempts to address the desires expressed by the Board, with the following characteristics:

1. The rate of implementation of GARVEE investment remains at approximately \$200 million annually from federal FY07 through FY09. The Department’s cash balance is utilized in FY06 to leverage bonding capability available in state FY07.
2. The GARVEE investment level is set at \$1.2 billion through FFY11, with a 20% cap on debt service through FY10 and 30% thereafter.
3. The latest cost estimates and delivery schedule are used for each project. Cost estimates will be continually revised over the next several years as concept details are

defined and reviewed during the project development process. The delivery schedule will also be reviewed and revised as project development techniques are modified in cooperation with the owner-agent and the FHWA.

4. The GARVEE routes are prioritized within the \$1.2 billion program available through FFY11. This prioritization provides a framework in which the development costs on projects not constructible within the current estimates of project cost, project delivery, investment rate, and investment level can be minimized in this and future modifications to the GARVEE Plan.

MTI Amick stated that a contingency program will be developed. Version #3 is the best estimate at this time of when projects will be ready for funding. Chairman Winder asked that as a part of the contingency plan, staff considers substituting projects that may not be as high a priority for GARVEE funding as other projects may be. Member McClure asked what impacts reauthorization will have on the Program, as several High Priority projects are included in the GARVEE Program. Director Ekern said that staff is in the process of analyzing those projects and the impact to the STIP, including the GARVEE Program.

Presentation – Adopt-A-Highway Groups of the Year. Jeri Ross, District 5 Adopt-A-Highway Coordinator, thanked the Sheriffs Commission Inmate Labor Detail (SCILD) and the Bannock Creek Branch LDS Church for their participation in the Adopt-A-Highway Program. The SCILD has been participating in the Program since 2000. The group is currently responsible for picking up litter along 19 miles of I-86. The Bannock Creek Branch LDS Church youth group joined the Adopt-A-Highway Program in 1999 and has a two-mile section on I-86. Both groups were presented with awards in recognition of their service to the state.

Headquarters' and District 3 Facility Information. Steve Spoor, Equipment Superintendent (ES), summarized the work done to date on the facility needs of Headquarters and District 3. A spatial needs assessment, inventory of available assets, and a review of the organizational functionality have been completed. Business and Support Manager Kathyren Chase reported that CH2M Hill has assessed both Headquarters' and District 3 facilities for environment and needs. It found the current building, health, and life safety code requirements cost prohibitive for upgrading the existing buildings. Extensive modifications required for more efficient operations added to the feasibility of not upgrading or renovating the existing structures. She said discussions have been held with the consultant, Ada County Highway District, and the development community on the proper utilization of these properties. The prospect of new facilities opens up the opportunity for organizational efficiencies, partnering, and improved customer service. As part of the District 3 tour next month, the Board will tour the Headquarters' and District 3 facilities.

Chairman Winder thanked staff for the update.

FY05 Financial Statement Summary. Controller Dave Tolman reported that the Department's total revenue and transfers in state FY was \$445,861,641, which was an increase of 5.5% from FY04. Total federal aid revenue increased \$18.6 million, or 8.3% due to increased contract construction. Local match decreased \$0.7 million or 18% due to normal fluctuations in local projects. Miscellaneous revenue was approximately the same as the previous year, and transfers from the Highway Distribution Account were up \$4.5 million, or 2.6%. Expenditures in FY05 totaled \$436,550,621, which was 8.3% greater than in FY04. Personnel costs were up 6.8%, capital equipment and facilities increased 17%, contract construction increased by 9%, and Trustee and Benefit payments increased 8.6%.

Aviation fuel tax revenue through the end of June was \$123,000 or 9.5% more than projections, according to Controller Tolman. Miscellaneous revenue was \$25,600 or 15% less than forecast, and federal revenue showed a 7% negative variance through the end of the month. Overall expenditures were ahead of last year.

In the Aircraft Operations Fund, the year-to-date revenue showed a positive variance to forecast of 11% and exceeded the estimated revenue for the year, totaling \$223,000. Personnel costs were up for the year; however, overall expenditures were less than budgeted.

Controller Tolman also provided an update on the American Management System. A number of tests and some preliminary training have been completed. The total system should be operational in December.

Chairman Winder thanked Controller Tolman for the financial summary and AMS update.

FY07 Proposed Budget Request. Budget, Policy, and Intergovernmental Relations Manager Julie Pipal summarized the guiding principles for the FY07 budget development: produce a balanced budget, maintain operations, and implement Board initiatives. She highlighted various elements of the proposed budget. The revenue forecast is \$506.3 million, with an appropriation request of \$502.4 million.

In response to Chairman Winder's question on the deficiency rating for equipment, Mr. Spoor responded that the rating is based on the age, mileage, and condition of the equipment. Member Blick asked if the inventory has remained static. ES Spoor said that the fleet had been reduced a couple of years ago, but has remained static since then. Chairman Winder asked staff to review the equipment fleet, particularly the increasing percentage of equipment with a deficiency rating.

Chairman Winder asked if the CEC amount needs to be revised based on the Board's earlier discussion. Director Ekern replied that staff will have an opportunity to amend the budget later, and will update the CEC request at that time.

Vice Chairman Combo made a motion, seconded by Member McClure, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the FY07 Idaho Transportation Department budget request will be
ITB05-36 prepared in accordance with instructions in the Division of Financial
Management's Budget Development Manual; and

WHEREAS, the Idaho Transportation Board has reviewed the FY07 Budget Request Summary.

NOW THEREFORE BE IT RESOLVED, that the Board agrees with the budget request estimates and guidance provided as presented in the Department Summary and Certification, submitted for approval August 18, 2005, as shown in Exhibit 309, which is made a part hereof with like effect, and authorizes the estimates and guidance provided to serve as the basis for the budget request to be submitted to the Division of Financial Management and Legislative Services Office on or before September 1, 2005.

Airport Name Change. Mark Young, Airport Maintenance Manager (AMM), provided historical information on the Smith's Prairie Airport, which was constructed by the Downer Brothers Lumber Company in the 1940s as a way of quickly accessing the lumber mill from the Boise Valley. Following closure of the mill, the Division of Aeronautics began operating the airport via a special use permit from the U.S. Forest Service in 1956. In 1979 a land exchange resulted in the Department's ownership of the airport property. The Division of Aeronautics has been approached by a surviving Downer family member inquiring about re-naming the airport to recognize his father and uncles for originally building the airport. AMM Young said local residents and Elmore County Commissioners have been contacted about re-naming the airport, with no dissenting opinions expressed. He added that the Aeronautics Advisory Board has approved re-naming the airport to the Smith Prairie Downer Memorial Airport, and requested approval from the Board.

Member Blick made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Smith Prairie Airport is owned and operated by the Idaho
ITB05-37 Transportation Department, Division of Aeronautics; and

WHEREAS, the Downer Brothers Lumber Company originally constructed and maintained the Smith Prairie Airport for public use; and

WHEREAS, the Department recognizes the value of giving credit to those who

support and contribute to general aviation within the State of Idaho; and

WHEREAS, the Aeronautics Advisory Board, the Elmore County Commissioners and local residents of the Smith Prairie area support re-naming the airport in order to recognize the people who constructed the facility.

NOW THEREFORE BE IT RESOLVED, that the Idaho Division of Aeronautics is directed to re-name the subject airport as the Smith Prairie Downer Memorial Airport.

Add SH-21, Canyon Creek Avalanche Mitigation, Boise County, District 3, to the Approved STIP. Daris Bruce, District 3 Project Development Engineer, requested approval to add a project to the STIP to construct facilities necessary for avalanche hazard mitigation on SH-21 in Boise County. SH-21 is closed for periods of time annually due to avalanche hazards. In 2004, ITD hired an avalanche safety firm to conduct a study of the avalanche-prone Canyon Creek area. The study concluded that closures on SH-21 average 60 days annually and that by implementing avalanche hazard mitigation, highway closures could be reduced by as much as 50% and damage to highway facilities could also be reduced, thereby reducing operation expenses. The avalanche hazard mitigation system would consist of constructing a remote access weather station on SH-21, constructing a remote access Dynamic Message Sign in Challis, purchasing specialized equipment, and an annual contract for helicopter bombing. Total cost of the project in FY06 is \$288,000.

Vice Chairman Combo expressed support for the project, due to the economic importance of SH-21 to Stanley and other communities and to address safety concerns.

Vice Chairman Combo made a motion, seconded by Member Blick, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB05-38 to accomplish a current, realistic, and fiscally constrained Highway Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize available federal and state highway funding; and

WHEREAS, the 1998 Transportation Equity Act for the 21st Century (TEA-21) requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, it is understood that continued development and construction of highway improvements are entirely dependent upon the availability of future federal

and state funding in comparison to the scope and costs of needed highway improvements; and

WHEREAS, it is in the safety and economic interest of the traveling public to maximize the amount of time SH-21 is open to traffic.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of a new project costing \$288,000 to FY06 of the State Program called SH-21, Canyon Creek Avalanche Mitigation, Boise County; and

BE IT FURTHER RESOLVED, that Department staff is authorized to modify the FY05-09 STIP in accordance with the provisions of the TEA-21.

Chairman Winder commended staff on the process to identify projects such as this one to improve safety, not only for the traveling public, but also for the ITD maintenance employees.

Contract Awards. CE Hutchinson said the low bid on key #8838, ST-1721(615) – I-86B, Pocatello Avenue, Riviera Street to Junction SH-39, Power County, District 5, was more than ten percent over the engineer's estimate, requiring justification. After reviewing the bid and the engineer's estimate, the predominate items that were grossly in excess of the engineer's estimate consisted of directed surveying, ¾" aggregate type B, and concrete for the curb, gutter, sidewalk, and approaches. Staff believes that the directed surveying may have been underestimated. The ¾" aggregate type B is more expensive to produce. This is one of the first projects in District 5 that is using this specification for aggregate and the estimate for the item was low. The District does not believe re-bidding the project would result in an improved price for the aggregate nor for the concrete, and because the lost time and uncertainty of concrete prices makes rebidding unattractive, staff recommends awarding the project.

Member Miller made a motion to award the contract on key #8838 to the low bidder: Jack B Parson Companies, Pocatello, Idaho - \$1,145,571.87. Member McClure seconded the motion and it passed unopposed.

The low bid on key #8569, ST-3270(644) – SH-55, Banks to Donnelly, Valley County, District 3, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said the source of the engineer's estimate was the Average Unit Price Report inflated to account for the remote location, the small quantities required, and nature of the work. Two main differences between the engineer's estimate and the low bid were found: 205-005A Excavation and S913-05B Trench Backfill Using Lean Concrete. Due to the lack of a waste site near the project area, the haul for the excavated material significantly increased the cost of excavation. The trench drains require specialized equipment, which may have increased the cost of

excavation. The District believes the remote location and small quantities contributed to the increased cost for the trench backfill using lean concrete item. There is only one supplier in the area and it would not commit for small quantities due to the development of the Tamarack Resort area. The contractor had two other options: haul the concrete from Boise or have it mixed on site. The first option would be expensive and the other option may not be feasible. Staff recommends that the project be awarded to the low bidder.

Vice Chairman Combo made a motion to award the contract on key #8569 to the low bidder: Westway Construction Company, Inc., Airway Heights, Washington - \$594,022. Member Blick seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on key #8914, STP-0200(101) – Pacific and Idaho Northern Railroad Depot, Stage 2, Adams County, District 3, was more than ten percent over the engineer's estimate, requiring justification. The project sponsor, Adams County, has reviewed the lone bid, and determined that the architects' estimate of probable costs was uniformly low across all line items. Additionally, it is believed that the significant cost increases that have occurred in Valley County as a result of work at the resort areas are at the root of the difference between the estimate of probable costs and the bid amount. The sponsor recommends awarding the low bid and acknowledged its responsibility for the additional costs.

Member McClure made a motion to award the contract on key #8914 to the low bidder: Brice Construction, Meridian, Idaho - \$598,654. Vice Chairman Combo seconded the motion and it passed unopposed.

Executive Session on Personnel and Legal and Issues, Section 67-2345(1)(b) and (d), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 11:45 AM to discuss legal and personnel issues. Member Blick seconded the motion and it passed 4-0 by individual roll call vote.

A general discussion was held on legal matters related to claims; Coeur d'Alene Lake Drive; the US-95, Mica Bay project; the US-95, Sandpoint Byway project; and records exempt from public disclosure.

The general discussion on personnel issues related to non-elective positions.

The Board came out of executive session at 1:15 PM. No decisions were made.

Safety Award Presentation. Highway Safety Grants Manager Mark Strait said the Office of Traffic and Highway Safety decided to recognize an exemplary safety program in the private sector. He introduced Idaho Traffic Safety Commission (ITSC) Member Mark Hiedeman. ITSC

Member Hiedeman said the Commission's charge is to develop safety programs, and seat belts are a major component of the program. Because the ITSC appreciates help from the private sector with promoting driver safety, it elected to honor the Idaho National Laboratory (INL) for its seat belt campaign. ITSC Member Hiedeman presented Steve Thorne, INL Director of Safety and Health, with a plaque in recognition of its safety efforts. Mr. Thorne said a number of employees were instrumental in establishing the campaign, which is still underway. He thanked the Department for the award.

Chairman Winder also commended the INL employees for their efforts to promote seat belt usage.

Idaho Traffic Collisions 2004 Report. Steve Rich, Research Analyst, Principal, presented the 2004 traffic collisions report. Idaho's fatality rate per 100 million vehicle miles traveled reached an all-time low of 1.75 in 2004; however, the state's rate is still significantly higher than the national fatality rate of 1.48. He mentioned other notable statistics, including almost 40% of the motor vehicle fatalities were the result of impaired driving; Idaho's observed seat belt use reached an all-time high of 74%; aggressive driving was a contributing factor in 56% of motor vehicle collisions and a factor in 45% of the resulting fatalities; and youthful drivers, ages 15 to 19, continue to be over-involved in motor vehicle crashes.

Chairman Winder thanked Mr. Rich for the informative report. He stressed the importance of reducing aggressive driving, and believes education is a key element in addressing that behavior.

Approval of Highway Safety Performance Plan. In accordance with federal requirements, a highway safety plan is prepared each year to identify the most critical behavior-related highway safety problems and strategies to address them. Mr. Strait summarized the highway safety funding and the process to solicit and prioritize projects for funding, which involves working closely with the ITSC. Mr. Strait said the Commission is comprised of knowledgeable, experienced people, and it plays a valuable role in the highway safety arena.

In FY06, approximately \$2 million is available to reduce deaths and serious injuries resulting from motor vehicle collisions by implementing programs to address driver behaviors. Mr. Strait said Idaho's focus areas include impaired driving, youthful drivers, aggressive drivers, emergency medical services, traffic records and roadway safety, media development, adult safety restraints, child passenger safety restraints, bicycle and pedestrian safety, and planning and administration.

Chairman Winder thanked Mr. Strait and ITSC Member Hiedeman for their efforts to promote highway safety.

Vice Chairman Combo made a motion, seconded by Member Miller, and passed unanimously, to

approve the following resolution:

RES. NO. WHEREAS, Idaho experienced 28,332 reportable traffic crashes and 260
ITB05-39 fatalities in 2004; and

WHEREAS, the economic cost of traffic crashes in Idaho for 2004 was \$1.6 billion;
and

WHEREAS, Idaho's fatality rate dropped to an all-time low in 2004 of 1.75 fatalities
per 100 million annual vehicle miles of travel; and

WHEREAS, the Idaho Transportation Department's goal is to have zero traffic
fatalities; and

WHEREAS, the National Highway Traffic Safety Administration (NHTSA) has
allocated \$2 million dollars in funding for Idaho to reduce traffic crashes; and

WHEREAS, the Idaho Traffic Safety Commission and the Office of Traffic and
Highway Safety have developed the Highway Safety Performance Plan for federal
FY06 to reduce Idaho traffic fatalities; and

WHEREAS, the Highway Safety Performance Plan is required by NHTSA in order to
receive funding.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board adopts
the Highway Safety Performance Plan, which is on file in the Office of Traffic and
Highway Safety, for federal FY06.

National Transportation Research Program. TRB Executive Director Skinner provided an
overview on transportation research in the United States. It is a decentralized activity, even
though numerous entities – such as cities, states, and private industry – have jurisdiction of
highways, resulting in the potential for duplicative efforts. He believes the transportation system
is connected to issues that are important to citizens, like economic growth and lifestyle, and thus,
the expectations change over time, resulting in a constantly changing research agenda.

In response to Chairman Winder's concern on duplicating research, Mr. Skinner replied that part
of TRB's mission is to provide oversight on transportation research and prevent some repetitive
efforts; although, he added that it is important to have some duplicative efforts. Some tools to
help eliminate redundant research include TRB's maintenance of a research database, state
research directors' meetings, and posting information on the web.

Mr. Skinner elaborated on research funding, which was increased in SAFETEA-LU, and on partnerships. Some current issues that TRB has identified as focus areas include security and congestion.

Chairman Winder thanked Mr. Skinner for coming to Idaho and for the informative presentation on research.

Presentation – Steve Huffaker, Director, Department of Fish and Game (DF&G). Director Huffaker thanked the Board for its time. He summarized DF&G's point of sale system and its efforts to update it. The Department has vendors throughout the state that sell approximately 100 different licenses, tags, permits, etc., resulting in numerous records to reconcile. The Department had problems with its previous computer system and approximately 10 years ago embarked on a process to update it. Using an outside vendor, it took approximately one year to develop and implement the system. Director Huffaker said DF&G staff is now responsible for the system. He believes it was a good business decision to outsource the development of the new system. Although DF&G has had some problems with the new system, overall, Director Huffaker is very pleased with it.

Chairman Winder thanked Director Huffaker for attending the meeting and for his comments.

Division of Motor Vehicles' (DMV) Information Technology (IT) System Transition. Motor Vehicle Administrator (MVA) Pamela Lowe emphasized the importance of customer service and DMV's desire to improve it. Because the current computer system is old and difficult to maintain, staff has talked to several vendors and other state DMVs about ITD's needs and the best options to improve its technology system.

Barry Takeuchi, Titles Program Supervisor; Lynn Rhodes, Driver's License Program Supervisor; Reymundo Rodriguez, Port of Entry Operations Officer; and Gary Genova, Financial Services Revenue Operations Manager, provided statistics on the documents processed and maintained in the Division annually, the annual revenue received, and the limitations of the current computer system.

Project Manager Bob Schumacher said the Division needs a user-friendly, customer centric system that is compliant with other jurisdictions' systems. The system needs to be integrated to the financial system and inventory, easy to update, and the reporting capability needs to be improved. Additionally, a point of sale system is needed for the entire Department, including Aeronautics' programs: airman licensing, aircraft registration, and aircraft dealer registration. He summarized several options and costs for the DMV IT system transition. The recommendation is to purchase a new system developed by a vendor and hosted and maintained by ITD. The estimated cost is \$48.8 million. MVA Lowe added that the financial package is still being

developed.

Member Blick asked how long the new system would last and if it would need to be replaced in six or seven years. MVA Lowe replied that upgrades will be needed occasionally, but the system should be usable for more than seven years. She added that major changes will be needed to the system soon due to national security issues.

Because this will require legislative approval, Member Miller asked if legislation has been drafted for this project. MVA Lowe replied that legislation has not been drafted yet. Staff's intent is to educate the legislature on the Department's needs first, particularly the new federal requirements. In response to Member McClure's question on the possibility of Department of Homeland Security funding, MVA Lowe responded that she believes funding may be available for this project from the Department of Homeland Security.

Vice Chairman Combo commended staff on the process it used to explore and develop options for the DMV IT system and thanked staff for the presentation. He commented that as the state's population continues to grow, the demands on DMV will also increase.

Vice Chairman Combo made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department has adopted and is
ITB05-40 implementing a long-term information systems modernization and
transformation; and

WHEREAS, the current Division of Motor Vehicles' (DMV) software and hardware systems are outdated and difficult to maintain and upgrade due to the number of Department and legislatively-required changes performed each year; and

WHEREAS, the DMV has seen significant volume increases due to the states' continued rapid population increase; and

WHEREAS, Idaho's population is predicted to grow 56% by 2030, a rate of growth twice that of the national average; and

WHEREAS, the current DMV system uses proprietary hardware and software that is obsolete with no replacements commercially available; and

WHEREAS, the customer service may suffer due to limited county office expansion capabilities; and

WHEREAS, multiple program development options have been considered; and

WHEREAS, multiple vendors and other state Departments of Motor Vehicles have been consulted; and

WHEREAS, the existing system will not be viable in the future and will not be capable of maintaining customer service; and

WHEREAS, the current system does not allow quick and accurate information sharing between DMV and other stakeholders and makes statistical retrieval and evaluation difficult and inaccurate; and

WHEREAS, the current system does not meet financial services and inventory tracking requirements.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board recognizes and supports the importance of modernization of the DMV technology system, and endorses the acquisition of outside vendor support and further authorizes the Director to proceed with the process of modernization of the DMV systems with appropriate Board briefings and approvals during the process.

Chairman Winder commented that the estimated \$48 million for the new system is over a five-year period. He asked how much money staff anticipates needing this year for the project. Director Ekern replied that \$3 million is included in the FY07 budget request.

Vice Chairman Combo stated that the resolution authorizes staff to proceed with the project, but he presumes the Board will be kept apprised of the project's status. He specifically requested additional information on Aeronautics' component.

The motion passed unopposed.

New Business. Based on an earlier Deputy Attorney General's opinion that the Board cannot hold an appointive public office or participate in public affairs where the participation might materially compromise the neutrality, efficiency, or integrity of the Board member's administration of Board functions, Vice Chairman Combo made a motion to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department supports a multimodal
ITB05-41 transportation system in Idaho; and

WHEREAS, ITD frequently participates in local planning activities with local

agencies and commissions; and

WHEREAS, the Department has received a request from Valley Regional Transit (VRT) to have more active participation on the VRT board; and

WHEREAS, there is a legal opinion that prohibits the Idaho Transportation Board members from serving on local boards or commissions.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the Director to appoint appropriate staff on an “ex-officio” basis, to represent ITD on the VRT board, with the understanding that any decision reached by the VRT board from time to time will not be binding on ITD.

Member Blick seconded the motion and it passed unopposed.

WHEREUPON, the Idaho Transportation Board’s tour of District 5 and regular monthly meeting officially adjourned at 4:40 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
September 22, 2005
Boise, Idaho

REGULAR MEETING AND DISTRICT ONE TOUR
OF THE IDAHO TRANSPORTATION BOARD

July 19-20, 2005

The Idaho Transportation Board met at 7 AM, on Tuesday, July 19, 2005, in Coeur d'Alene, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Steve Hutchinson, Chief Engineer

Delegation – Kootenai Metropolitan Planning Organization (KMPO). Glenn Miles, KMPO Transportation Manager, thanked the Board for its time. He provided an overview on the area's population and employment growth and the anticipated continued growth. He praised the partnership that KMPO and District 1 have established to address the transportation issues, and elaborated on some studies underway. Mr. Miles believes the SH-97 corridor will need improvements, as growth is expected along that highway.

Coeur d'Alene City Council Member Dixie Reid also commended the Transportation Department for the assistance it has provided. She believes addressing the increased traffic on SH-97 will be a big challenge and she expressed support for an additional I-90 interchange in Post Falls. In response to Vice Chairman Combo's question on assistance from developers, Kootenai County Commissioner Gus Johnson replied that, depending on the circumstances, the county requires developers to provide assistance to address transportation needs, such as constructing turn lanes. Member McClure asked if the county imposes impact fees. Commissioner Johnson said Kootenai County is currently exploring that option; however, the county does not have jurisdiction of roads. Four highway districts have oversight of county roads. It was stated that both Coeur d'Alene and Post Falls collect impact fees.

Post Falls Mayor Clark Larkin said the city will need another river crossing in the future. Post Falls Highway District Commissioner Lynn Humphreys concurred, and added that there used to be a bridge at Greens Ferry Road, so the right-of-way is available for a structure.

Member McHugh also commented on the good working relationship that KMPO and ITD have

established. Chairman Winder expressed appreciation to the delegation for its comments and for the assistance it provides to the community.

The Board traveled US-95 south to the Setters to Belgrove project under construction. After touring the project site, the Board traveled north on US-95.

Black Rock Development Corporation. Black Rock representative George Schillinger provided an overview on the approximately 650-acre subdivision south of Coeur d'Alene overlooking Lake Coeur d'Alene. He elaborated on the plans for that subdivision, as well as other developments underway. Mr. Schillinger emphasized the importance of the Coeur d'Alene Airport and believes the Governor's Connecting Idaho Initiative will be beneficial for the area, particularly through safety improvements.

As the group traveled US-95 north to Sandpoint, DE Stokes summarized projects along the corridor. After an informal luncheon with employees at the Sandpoint Maintenance Shed, staff gave presentations on a rockfall project on US-2, salt usage on I-90 and US-95, and damage to state property and insurance recovery. Chairman Winder thanked the staff for the luncheon and various presentations. He thanked the employees for their service to the state and expressed the Board's appreciation for their work. He added that the Board understands the employees' concerns with salary issues. It has made a commitment to work with the legislature to address this important issue. Chairman Winder also thanked Senator Shawn Keough, Representative George Eskridge, and Representative Eric Anderson for attending the luncheon.

The Board continued its tour east on SH-200.

Sam Owen Fire Station. DE Stokes said the District partnered with the local fire district for the construction of the fire station by donating land for the facility. Fire Commission Chair Gary Deaner thanked the Board for visiting the fire station and for donating the property. He provided information on the fire district.

The tour continued east on SH-200 to the Cabinet Gorge Dam, where the Board learned about the area's geological history and the dam. The Board traveled west on SH-200. After viewing the Clark Fork Bridge, the Board returned to Coeur d'Alene on SH-200 west and US-95 south.

WHEREUPON the meeting recessed at 4:30 PM.

July 20, 2005

The Board reconvened at 8 AM on Wednesday, July 20, 2005, at the District One Office in Coeur d'Alene, Idaho. All members were present except Member Gary Blick.

June 15-17, 2005 Board Minutes. Member McHugh made a motion to approve the minutes of the regular Board meeting held on June 15-17, 2005 as corrected. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The Board discussed its meeting date preference. The general sentiment was to meet mid-week, avoiding Friday meetings, but to continue scheduling the meetings the third week of the month if possible. Also, some discussion was held on the tour days. The consensus was to tour the District the first day and conduct the business meeting the second day.

The following meeting dates and locations were scheduled:

August 17-18, 2005 – District 5

September 22-23, 2005 – District 3

October 12-13, 2005 – Boise

Delegation – Attorney General (AG) Lawrence Wasden. Chairman Winder welcomed AG Wasden to the meeting. AG Wasden said he met recently with Chairman Winder and Director Ekern, but also wanted to ensure that the entire Board is satisfied with the services the AG's Office is providing. He emphasized his support to the Board and Department and asked if the Board is receiving the services it needs and what improvements could be made.

Chairman Winder said the demands on staff are a concern. Deputy Attorney General Karl Vogt said he is reviewing the work load and determining if additional staff members are needed to handle the cases.

Overall, Vice Chairman Combo is very satisfied with the legal services the Board is receiving. In response to Member Miller's question on obtaining outside counsel when necessary, AG Wasden emphasized that outside counsel will continue to be an option when needed. He added that the AG's Office has numerous attorneys with various expertise and background. He may look in-house for the expertise ITD needs, but if the expertise or assistance is not available in-house, he will continue to approve outside counsel as needed.

Member McHugh asked about the AG Office's relationship with Risk Management. AG Wasden responded that the AG's Office represents Risk Management, although outside counsel is used periodically. He added that he believes the communication between ITD and Risk Management could be improved.

In conclusion, AG Wasden emphasized a desire to be part of ITD's team and for the Board to let

him know when it has concerns and needs assistance. Chairman Winder thanked AG Wasden for attending the Board meeting, for his comments and assistance, and for his service to the state.

Consent Calendar. Vice Chairman Combo made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the Public

ITB05-28 Transportation Division Section 5311 Statewide Transportation Improvement Program (STIP) Amendment; the addition of Middle Fork Boise River Road, Elmore County Emergency Relief Project to the STIP, District 3; Transportation Management Area program changes; removal of Warm Springs Pedestrian Connection, Ketchum, District 4; addition of Washington Street Railroad Bridge and Federal Program changes, District 5; delay of Watts Bridge, Lemhi County, District 6; Local Highway Technical Assistance Council program adjustments; Board Policy B-06-46, Department Payment of Professional Organization Dues; and professional services, US-95, Phase III Copeland, District 1; and has received and reviewed the contract award information, the new and supplemental professional agreements report, the administrative settlements of right-of-way acquisitions, the annual report on Railroad Grade Crossing Protection Account, Title VI language on ITD publications, the summary of FY05 items submitted to the Board of Examiners, and the May financial statement analysis.

1) Public Transportation Division Section 5311 STIP Amendment. The City of Lewiston has agreed to transfer \$50,000 of unprogrammed Section 5307 Urbanized funds to the Section 5311 Rural Program administered by ITD. The funds are to be used in the rural areas of District 2 by Regional Public Transportation to continue current service levels. The transfer has been approved by the Lewis Clark Valley Metropolitan Planning Organization.

2) Addition of Middle Fork Boise River Road, Elmore County Emergency Relief Project, Key #9702, District 3, to the STIP. District 3 is performing work on the Middle Fork Boise River Road in accordance with the Governor's declaration of disaster event ID-02-2005. The off-system project near the town of Atlanta is being constructed with State funds in anticipation of reimbursement from Idaho Bureau of Homeland Security disaster funds, Federal Highway Administration (FHWA) Emergency Relief, or Western Federal Lands Emergency Relief for Federally-Owned (ERFO) funds. The Atlanta Highway District is applying for ERFO funds. Staff requested approval to add the Middle Fork Boise River Road project to the STIP at an estimated cost of \$450,000.

3) Transportation Management Area (TMA) Program Changes. The Surface Transportation Program (STP) TMA Committee met last month, partly to discuss the progress on projects in the

approved STP TMA Program. Approximately \$1.2 million of FY05 funding was identified as available for cost increases to prior and current year projects and project advances from later years of the approved Program. In order to utilize all FY05 STP TMA funding, the Committee requests Board approval to advance FY06 Commuteride, Ada County, key #9194, \$200,000; FY06 Community Planning of Southwest Idaho Transportation Plan, Ada County, key #8697, \$211,000; and Rail Corridor Feasibility Study, key #8960, \$300,000 to FY05 from FY06.

4) Removal of Warm Springs Pedestrian Connection, Ketchum, Key #8911, District 4. At the City of Ketchum's request, staff asked for approval to remove the Warm Springs Pedestrian Connection, Ketchum, project from the FY05 Enhancement Program. The City will be responsible for repaying the federal aid expended on the project, estimated \$4,600.

5) Addition of US-89, Washington Street Railroad Bridge and Federal Program Changes, District 5. The US-89, Washington Street Railroad Bridge in Montpelier is in need of immediate repair. Staff requested approval to add the project to FY06 of the State Highway Program and to make additional changes to the STIP to fund the bridge project: remove FY06 US-89, Montpelier to Home Canyon, key #9120, \$110,000, and combine the seal coat work with another project for efficiency; delay FY06 US-30, Thomas Fork Creek, Bear Lake County, key #8839, \$305,000, to FY07; and delay SH-34, 5th North to Soda Springs North City Limits, Caribou County, key #9386, \$200,000, from FY07 to FY08.

6) Delay of Watts Bridge, Lemhi County, Key #7811, District 6. Staff requested delaying the US-93, Watts Bridge, Lemhi County project from FY06 to FY07 of the State Highway Program. The funds will be made available to the US-93, Tom Cat Hill East, Butte County project, key #7768.

7) Local Highway Technical Assistance Council (LHTAC) Program Adjustments. Per discussions with LHTAC, staff requested approval to delay the following projects from FY05 to FY06: Joseph Street Bridge, Moscow, key #7783; Elk Creek Bridge at Elk Creek, Elmore County, key #7219; Salem Road, Fremont County, key #5687; and Salem Road Bridge, Fremont County, key #6277.

8) Board Policy B-06-46, Department Payment of Professional Organization Dues. With the ever-changing work environment, it is important to maintain and continue to develop employees' professional and technical skills. One of the ways to accomplish this is through memberships with professional organizations that provide training. Staff requested approval of a policy delegating authority to the Director to develop consistent policies and guidelines for the payment of professional organization dues. Board Policy B-06-46 and the corresponding Administrative policy are within the guidelines provided in Executive Order 2003-06 and within state and federal policies.

9) Professional Services for Construction Engineering and Inspection Work on US-95, Phase III, Copeland, Key #7748 and #6508, District 1. Staff requested approval to enter into a professional service agreement with Entranco in the amount of \$1,900,000. Construction services would be provided for the US-95, Milepost 536 to Idaho/Canada Border and Lower Eastport Moyie River Bridge projects. The consultant will be responsible for the daily administration, testing, and inspection of the project, plus record keeping and management associated with the project. Services are requested to help with manpower issues to inspect the project.

10) Contract Award Information. Key #7053 – SH-55, Round Valley to Clear Creek, Valley County, District 3. Low bidder: Valley Paving & Asphalt - \$1,754,086.

Key #8536 – US-95, Milepost 249 Northbound Passing Lane, Idaho County, District 2. Low bidder: Debco - \$983,983.

Key #9183 – I-84, Eastbound On Ramp, Garrity Boulevard, Nampa, District 3. Low bidder: Idaho Sand & Gravel Company, Inc. - \$778,000.

Key #8558 – US-30, Hagerman to Banbury, District 4. Low bidder: Western Construction Inc. - \$2,295,227.

Key #9115 – US-93, Perrine Bridge to Junction I-84, Jerome County, District 4. Low bidder: Western Construction Inc. - \$1,915,644.

Key #9223 – SH-39, Junction SH-39, Blackfoot, District 5. Low bidder: Mountain West Electric, Inc. - \$386,510.

Key #9394 – 2nd East 1st North Street, Rexburg, District 6. Low bidder: Mountain West Electric, Inc. - \$250,842.

Key #8934 – US-2, Guardrail End Replacement, District 1. Low bidder: Frank Gurney Inc. - \$498,260.

The low bid on key #9087 – SH-33, Intersection 12 West to Junction US-20, Near Rexburg, District 6, was more than ten percent over the engineer's estimate and staff rejected the bid.

11) New and Supplemental Professional Agreements Report. From June 1 through June 29, the Consultant Administration Unit processed \$3,165,980 in professional, supplemental, and term agreements.

12) Administrative Settlements of Right-of-Way Acquisitions. During the first half of 2005, the

Right-of-Way Section processed 88 parcels. There were 23 administrative settlements during this time frame, or 26%.

13) Annual Report on Railroad Grade Crossing Protection Account. The balance in the Railroad Grade Crossing Protection Account as of June 30, 2004 was \$1,342,839.49. The FY05 activity in the Account and the anticipated transfers for obligated projects leaves \$151,943.06 available for obligation as of June 10, 2005. Information on rail-highway grade crossing collisions for calendars years 2000 through 2004 was also provided. In 2004, there were 23 total collisions with 3 fatalities.

14) Title VI Language on ITD Publications. The U.S. Department of Justice places specific requirements on federal agencies and their recipients for public dissemination of Title VI information related to nondiscrimination in programs and services. As a federal assistance recipient, ITD must comply with 28 CFR Subpart F, Chapter 1, 42.405c. The objective of this federal requirement is to ensure that recipients of federal assistance are aware of and comply with requirements to inform the public of their non-discrimination commitments; the rights of the public to full and equal access to federally funded programs and services; and the right to file a complaint if they believe discrimination occurred. Specific language has been provided to staff to print on materials that are disseminated to the public to comply with the federal requirements.

15) Summary of FY05 Items Submitted to the Board of Examiners. ITD requested authorization from the Board of Examiners to increase the amount of relocation assistance allowed under current state policy for a staff engineer in District 1. This increase was in the amount of \$2,000, from the current policy of \$5,000 to \$7,000. The request was approved by the Board of Examiners in April.

16) May 2005 Financial Statement Analysis. The total federal aid received was \$25.6 million or 13% ahead of projections through May. Revenue from the Highway Distribution Account was \$1.7 million, or 1.1%, ahead of the forecast. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 3.7% and the state program was 18% less than projected.

Aviation fuel tax revenue for May was ahead of projections by 11%, or \$130,000. Miscellaneous revenue was 13% below the year-to-date forecasted amount. Expenditures for Personnel and Trustee and Benefit payments were less than budgeted, and operating expenditures were right on the budgeted amounts through the end of May. The Aircraft Operations Fund was ahead of projections and is expected to exceed the forecasted budget amount of \$200,000. Expenditures exceeded the same time period last year due to increased use of charter service, training for pilots, fuel, and aircraft repair and maintenance.

Chairman Winder welcomed Representative Eskridge to the meeting and thanked him for his continued support of the Transportation Department.

Board Items. Chairman Winder said Congress is still working on the reauthorization of the Transportation Equity Act for the 21st Century. A two-day extension was approved yesterday.

Chairman Winder met with Representative JoAn Wood recently. He informed the legislator of the issues and concerns expressed at the Board meeting in Rexburg last month.

Chairman Winder also said he received a call from a legislator regarding concerns that some District 5 employees have with the insurance program. Administrator, Division of Administration, Susan Simmons responded that she has met with those employees and is reviewing the cases. The Department of Administration is also involved and hopes to have the issues resolved soon. She added that more education on the insurance programs will help alleviate some of the problems in the future.

Member Miller attended the recent Western Association of State Highway and Transportation Officials meeting in Nebraska. He reported on the various sessions he attended. One speaker emphasized the importance of time with construction projects and the need to minimize the inconvenience to the traveling public. He also mentioned that a speaker from a construction company believes A+B bidding is underutilized.

Member McClure said he had two out-of-state friends travel through Idaho recently and both commented on the good roads in the state. He commended staff for their efforts.

Department Activities. Director Ekern reported that staff is continuing work on the proposed FY07 budget. At this time, the budget is not balanced. Staff is still in the process of closing out FY05, and will continue efforts to balance the FY07 budget.

FHWA Division Administrator Steve Moreno reported on three studies completed by the Office of Inspector General since 1999 on how FHWA manages projects. The findings indicate FHWA needs to be more accountable for its projects, as the 2004 review identified \$284 million of unneeded obligations. Administrator Moreno reported that earlier this month FHWA issued a Notice of Proposed Rulemaking to establish a systematic process to assist states and FHWA with monitoring projects, to provide greater assurance that the amount of federal funds obligated on a project reflects the current cost estimate, and to ensure that funds no longer needed are deobligated in a timely manner and reapplied to other eligible projects. He elaborated on the revisions, including that states must identify a project completion date in all new project agreements and completed projects must be closed out in 90 days. FHWA and ITD are in the process of updating its stewardship and oversight agreement.

Director Ekern stated that the Department will comment on the proposed rulemaking. He added that this is a significant issue and a major change from the way transportation departments have been doing business. Member Sweeney expressed support for accountability. Chairman Winder said that at a recent Associated General Contractors of Idaho meeting, comments were expressed about the need to improve the process and timeliness of closing out projects. Chairman Winder thanked Administrator Moreno for the report.

DAG Vogt reported that a citizen inquired last week about watching the Board meeting via video conference at a District Office. Because the Board meeting notice does not state the meetings are available via video conference, DAG Vogt does not believe the Department needs to make special arrangements to accommodate the public. If the District plans to view meetings via video conference, then the public is welcome to participate, but if the District is not planning on video conferencing the meeting, then it should not change its plans to accommodate a citizen's request.

Both Chairman Winder and Member McClure supported this policy. Although Vice Chairman Combo also agreed, he asked DAG Vogt to review related issues with video conferencing Board meetings, such as if the meetings are recorded, and if so, how long would those records need to be retained.

DAG Vogt also reported on a recent case involving property used for a Rails to Trails project. The implications of the Circuit Court decision on the Weiser River Trail project is that ownership of the right-of-way is more complex than originally understood with some of the railroad right-of-way apparently belonging to adjacent property owners and some of it being still uncertain pending outstanding state court actions. The outcome of this case may impact other Rail to Trail projects in the state.

Forum on Transportation Investment (FTI). FTI Chairman Jim Kempton provided an update on the FTI, which was established to understand the needs and demands for transportation improvements and options for financing and funding the state's transportation system and from this understanding, to make recommendations to the Board on how to shape future investment in Idaho's surface transportation system. He summarized the meetings held to date, including sessions on the state's population growth and its transportation infrastructure needs.

Chairman Winder thanked Mr. Kempton for the report and for his leadership with the FTI.

Presentation – Adopt-A-Highway Groups of the Year. Member McHugh thanked the Idaho Youth Ranch/Anchor House and Kootenai County Sheriff's Community Labor Program for their participation in the Adopt-A-Highway Program. Anchor House has participated in the program since 1991, picking up litter on US-95 from milepost 427 to 429. The Kootenai County Sheriff's

Office has used inmate labor on all major roads in the county. Member McHugh presented both groups with awards in recognition of their service to the state.

Delegation – City of Post Falls. Post Falls Mayor Larkin thanked the Board for its time and also for participating in part of the Association of Idaho Cities’ annual conference last month in Idaho Falls. He also thanked DE Stokes and his staff for their responsiveness and for the assistance they provide to the area. Mayor Larkin expressed concern with the increased costs of public transportation, and elaborated on the additional money the City of Post Falls needs to cover the increased per-boarding costs. He also emphasized the need for the I-90 Greens Ferry Road overpass. He read a letter from the Post Falls Chamber of Commerce that also expressed support for the Greens Ferry Road extension and improvements to SH-41 to address safety concerns. In conclusion, Mayor Larkin said re-building the Greens Ferry Bridge will be a future priority, as another river crossing is needed in the city.

Chairman Winder thanked Mayor Larkin for the remarks.

Delegation – Post Falls Highway District. Post Falls Highway District Commission Chairman Humphreys thanked the Board for the meeting and thanked staff for the good working relationship the two entities have established. He asked the Board to approve additional funding for the Seltice Way Bridge. The project is ready to be advertised; however, an additional \$1 million is needed for construction costs. He also expressed support for an additional river crossing in the City of Post Falls.

Chairman Winder asked staff to provide information on the Seltice Way Bridge project. He thanked Commissioner Humphreys for his comments.

Delegation – Bonner County/Bonner County Area Transportation Team (BCATT). Bonner County Commissioner and BCATT Chairman Karl Dye thanked the Board for visiting northern Idaho and thanked it for the improvements made to US-95. He said that congestion is a concern in parts of the county. BCATT works with ITD on prioritizing area projects and is also an important avenue to share information and educate local officials and citizens on transportation issues. A BCATT subcommittee has been working with ITD on the US-95, Garwood to Sagle study. Commissioner Dye emphasized the need for local and state governments to work cooperatively on issues. He expressed support for the Sandpoint Byway project, and stated that US-2 and SH-200 need improvements.

Delegation - City of Sandpoint. Sandpoint Mayor Ray Miller stated that the vast majority of residents supports the Sandpoint Byway project. He believes it will provide a tremendous benefit to the area. He also informed the Board of a Public Lands Discretionary project that the city is applying for and reported on activities in the area, including continued growth in population and

businesses. In conclusion, Mayor Miller thanked District staff for the partnership it has established with the city and thanked the Board for its assistance.

Delegation - City of Ponderay. Jessie DeMers, Mayor of Ponderay, expressed appreciation to the Board for its time and for visiting Ponderay yesterday. She reported on the close working relationship she has established with the District staff to address transportation issues on US-95 and SH-200. The city is experiencing record growth along those routes and access control and mobility of motorists are important issues that need to be addressed. Mayor DeMers also expressed support for the Sandpoint Byway project, and requested the addition of a SH-200 corridor improvement plan in the STIP.

Chairman Winder thanked all of the delegations for the comments. He was pleased to hear of the good working relationships that the local governments and ITD have established. He commended DE Stokes for his leadership and responsiveness to local officials and citizens.

Tribal Fuel Tax. DAG Clay Smith, Department of Natural Resources, summarized the tribal fuel tax issue. In August 2004, the 9th Circuit Court of Appeals ruled that the State of Idaho could not impose a tax on fuel purchased at tribally owned retail stores, regardless if the purchases were made by Indians or non-Indians. Last spring, the U.S. Supreme Court denied the State's request to review this decision. The Board was updated on another case the Court is looking at regarding where the legal incidence of a fuel tax falls.

Executive Session on Legal Issues, Section 67-2345(1)(d) and (f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 11:20 AM to discuss legal issues. Member Sweeney seconded the motion and it passed 5-0 by individual roll call vote.

A general discussion was held on legal matters related to the tribal fuel tax; the US-95, Mica Bay project; the US-95, Sandpoint Byway project; a right-of-way issue on US-20 near Idaho Falls; and records exempt from public disclosure.

The Board came out of executive session at 1:45 PM. No decisions were made.

Chairman Winder welcomed Representative Jim Clark to the meeting.

Idaho Airstrip Network Action Plan. Aeronautics Administrator (AA) Bob Martin introduced Dr. McLaughlin of the University of Idaho. He was retained as a facilitator to assist the steering committee established last fall to review, analyze, and determine the best steps to take in preserving backcountry airports and to preserve access to the remotest parts of Idaho.

Dr. McLaughlin summarized the efforts undertaken to develop the Idaho Airstrip Network Action

Plan and elaborated on its findings. The three main themes are to preserve and enhance access, create an understanding and demonstrate the value of airstrips as one of Idaho's most unique transportation assets, and improve administrative effectiveness in the maintenance and operation of the airstrip network. The draft document was available for public review and comment earlier this year.

Two U.S. Forest Service representatives also spoke in support of the airstrip network action plan and the process the Department utilized to address needs for and concerns of the state's airstrips. AA Martin added that some organizations or foundations have committed financial assistance and that there are many partners for this endeavor.

Chairman Winder praised the inclusion of non-aviation entities in the process. He believes that resulted in a valuable educational experience for all parties. He commended staff for its efforts to develop the airstrip network action plan. Member Sweeney and Vice Chairman Combo both expressed their appreciation for this undertaking and believe it is a positive, worthwhile endeavor.

Member Sweeney made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, it is recognized that the current system for maintaining, developing, and preserving Idaho's
ITB05-29 recreational airstrips is not adequate for the future; and

WHEREAS, it is recognized that backcountry airstrips support Idaho's recreation and tourism industries and preserving and improving airstrips and portal community airports infrastructure is critical to continued growth; and

WHEREAS, only through broad based public and knowledgeable stakeholder involvement can the needs of backcountry airstrips and their portal community airports be met; and

WHEREAS, the Idaho Airstrip Network Action Plan, which was developed through stakeholder input, sets forth strategies for maintaining, improving, and classifying current and future airstrips; and

WHEREAS, the Idaho Airstrip Network Action Plan has been placed before the public for review and comment and amended to incorporate applicable public comments; and

WHEREAS, the Aeronautics Advisory Board has approved the Idaho Airstrip Network Action Plan.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Department is directed to implement the Idaho Airstrip Network Action Plan through the development of stakeholder partnerships.

Idaho Airport Aid Program FY06 Approval Request. Bill Statham, Project Manager, reported that the Division of Aeronautics' Airport Aid Program grant projects are now being integrated into the STIP. Projects will be listed for five years with annual updates. Requests to the Board will be limited to additions, deletions, advances, and delays to the next year's project list and to authorize the issuance of grants based upon the listed modifications. Mr. Statham presented the FY06 Idaho Airport Aid Program and summarized proposed modifications, including the Federal Aviation Administration award to the Coeur d'Alene Airport. The discretionary award of \$2.4 million is to complete construction of the new parallel taxiway to Runway 05-23 and the new Empire Airlines Maintenance hangar. The Division can provide \$32,000 in unspent funds from FY03, FY04, and FY05. This will provide partial funding for the extra discretionary funds awarded to the Coeur d'Alene Airport and help support development of the facility.

Member McHugh made a motion, seconded by Member Sweeney, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Division of Aeronautics has solicited, received, and reviewed applications from
ITB05-30 municipal airport owners for financial assistance; and

WHEREAS, the Division staff has evaluated these applications and prepared the Idaho Airport Aid Program – FY06; and

WHEREAS, the Aeronautics Advisory Board has concurred with these recommendations.

NOW THEREFORE BE IT RESOLVED, that the Idaho Airport Aid Program – FY06, as shown as Exhibit 305, which is made a part hereof with like effect, be approved; and

BE IT FURTHER RESOLVED, that the Division shall issue grant offers as listed for the FY06 year; and

BE IT FURTHER RESOLVED, that the Division shall issue partial grant funding to the Coeur d'Alene Airport for discretionary funds received.

2006 Legislative Idea Review. Budget, Policy, and Intergovernmental Relations Manager

(BPIRM) Pipal summarized the legislative concepts staff is proposing for the 2006 session. Upon Board approval of the ideas, staff will draft legislation for the Board's review and approval at the September meeting, following review of the approved concepts by the Division of Financial Management in August. BPIRM Pipal said staff has withdrawn the Airport Land Use Compatibility Planning idea, as it would like to work with its partners to remedy the issue before proposing legislation. Discussion followed on the proposals for the Commercial Driver's License Program Audit Compliance and Potential Sale of ITD Property, which is being proposed as a placeholder until further research can be conducted on issues relating to the facilities plan.

Member Sweeney made a motion, seconded by Member Miller, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Governor's Office has requested that state agencies submit proposed

ITB05-31 2006 legislation to the Division of Financial Management for review and approval; and

WHEREAS, the Idaho Transportation Department Executive Team has approved the "Legislative IDEA Submittal Forms" as to concept and has submitted them to the Idaho Transportation Board for review and approval prior to submission to the Division of Financial Management.

NOW THEREFORE BE IT RESOLVED, that the Board approves submittal of the "Legislative IDEA Submittal Forms", as shown as Exhibit 306, which is made a part hereof with like effect, to the Division of Financial Management, and upon approval, the development by ITD staff of draft legislation to be included as part of the Governor's 2006 legislative package, dependent upon subsequent review and approval by the Board and the Division of Financial Management.

Implementation of House Bill 102, All Terrain Vehicles (ATVs) Crossing State Highways.

BPIRM Pipal summarized House Bill 102, authorizing the Transportation Board to designate sections of the state highway system where unregistered ATVs and motorcycles will be allowed to cross state highways in conjunction with a designated recreational trail route. She said the Board may designate the specific point of crossing and also specify the method and conditions of crossing in order to maximize public safety. The costs of signing the trails at designated crossing points and of mapping will be the responsibility of the Department of Parks and Recreation. The costs of signing the highways will be the responsibility of ITD.

Vice Chairman Combo made a motion, seconded by Member Sweeney, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the 2005 Idaho State Legislature passed House Bill 102, effective

July 1, 2005, authorizing

ITB05-32 the Idaho Transportation Board to designate sections of the State Highway System where unregistered all-terrain vehicles and motorcycles will be allowed to cross state highways in conjunction with a designated recreational trail route; and

WHEREAS, this effort is proceeding in partnership with the Department of Parks and Recreation, which will be responsible for the recreational trail routes, appropriate signing, and mapping; and

WHEREAS, this effort will provide economic benefit to the local communities, associated businesses, and industry.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Department Director is authorized to proceed with the development of administrative procedures necessary to implement House Bill 102.

Contract Awards. CE Hutchinson said the low bid on key #8093, BR-3290(111), SH-21, South Fork Payette River Bridge, Boise County, District 3, was more than ten percent over the engineer's estimate, requiring justification. In preparing the engineer's estimate, staff increased the average unit prices by approximately 25% to account for the short time frame, remote location, and staged construction. The costs were not increased sufficiently to account for the following factors as stated by the two contractors bidding on the project: lack of waste site near the project for debris disposal; constructing a scaffold system suspended from the existing structure to prevent debris from entering the river and to provide access for painting and deck overhang removal; and concern on the availability of concrete. Based on this information, staff recommends awarding the low bid.

Member McClure made a motion to award the contract on key #8093 to the low bidder: Concrete Placing Company, Boise, Idaho - \$897,894.50. Member McHugh seconded the motion and it passed unopposed.

The low bid on key #9063, ST-8313(605), SH-45, Deer Flat Road to Roosevelt, Nampa, Canyon County, District 3, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said that micro surfacing is a relatively new roadway resurfacing process being used in District 3. Special equipment and special aggregate is required, causing costs on this type of project to vary upon location. No local contractors have bid on micro surfacing projects in District 3. This project begins in a rural area and transitions into an urban area. Limitations on construction activity were placed in the contract. The contractor is prohibited from performing construction activities for six hours daily due to high volumes of traffic in the urban area. In

summary, the difference in bid estimates are due to cost of special aggregate, limitation of operation, and cost of transporting special equipment. Based on this information, staff recommends awarding the low bid.

Member McClure made a motion to award the contract on Key #9063 to the low bidder: Intermountain Slurry Seal, Inc., Salt Lake City, Utah - \$446,723. Member Sweeney seconded the motion and it passed unopposed.

Member McClure made a motion to award the bid on Key #3214 and #8628, IM-NH-IR-84-1 (013)33, STP-3220(111), and L.I.D. #136 – I-84, Karcher Interchange, Karcher Junction to Nampa Boulevard, and Caldwell Boulevard L.I.D. #136, Canyon County, District 3 to the low bidder: Central Paving Company, Inc. - \$30,019,003.28. Member McHugh seconded the motion and it passed unopposed.

CE Hutchinson said the low bid on Key #9658, ST-6560(602), SH-87, Henrys Lake Fish Passages, Fremont County, District 6 was more than ten percent over the engineer's estimate, requiring justification. The two most significant differences between the low bid and the engineer's estimate are in the stream work restoration and mobilization. The project is scheduled to be substantially complete by November 30, 2005; however, due to restrictions listed in the permit, the in-stream work cannot begin until September 15. Staff believes the bids are higher because the contractors were factoring in the potential for weather related delays and/or increased costs due to using cold weather construction practices and due to the relatively short construction window. The project is environmentally and politically sensitive. Additionally, because of the timeframe for completing the project, if the bid is rejected, the project would be delayed for an entire year. The District recommends accepting the low bid.

Vice Chairman Combo made a motion, seconded by Member Miller, to approve the following resolution:

RES. NO. WHEREAS, five (5) bids have been received for replacing two (2) culvert ITB05-33 crossings with single span bridges at Targhee and Howard Creeks, SH-87, Milepost 0.0 and 1.32, with stream restoration; Henrys Lake Fish Passages, known as Idaho Project #ST-6560(602) in Fremont County, Key #9658; and

WHEREAS, the low bid is 150% of the engineer's estimate, but there is only an eight percent (8%) difference between the high and the low bidder; and

WHEREAS, two (2) items account for 78% of the difference, which items are (1) the stream work restoration and (2) mobilization; and

WHEREAS, due to restrictions listed in the federal permit, the in-stream work cannot

begin until September 15, 2005, and must be complete by March 31, 2006; and

WHEREAS, the project is scheduled to be substantially complete by November 30, 2005; and

WHEREAS, the Idaho Transportation Board, the Transportation Department Director, the Chief Engineer, and the District Engineer and staff, and the several conservation groups and agencies involved in the evolution of the project, expect the contractor awarded the contract for the work to meet the schedule for the work encompassed within the contract.

NOW THEREFORE BE IT RESOLVED, that the Board approves the award of the subject contract to Cannon Builders, Inc., of Blackfoot, Idaho, in the amount of \$1,823,741.80; and

BE IT FURTHER RESOLVED, that Cannon Builders be informed in the award package, which also includes a copy of this resolution, that the Board, in approving the award, expects the contractor to fully meet the work scope within the schedule set forth in the contract and the federal permit; and

BE IT FURTHER RESOLVED, that the District Engineer, from time to time, as deemed appropriate by the Engineer, will provide the Board, through the Chief Engineer, the Director and the Board Secretary, status reports of contractor adherence to the contract and schedules, with copies of the report(s) also being provided to a central recipient for further dissemination to the several conservation groups and agencies involved in the evolution of the project.

Member McClure questioned the necessity of the resolution, as the state has statutes in place to address contract awards, and the contractor will sign a contract that outlines the construction schedule.

Chairman Winder believes the resolution expresses the urgency of the project. Vice Chairman Combo added that it also indicates the importance of the project to the various stakeholders and provides staff assistance with overseeing the project.

The motion passed 4-1 with Member McClure dissenting.

Overview of Idaho's Transportation Research Program. Director Ekern stated that the Department will be providing a series of presentations to the Board on research. Today's overview is on the state's transportation research program. Next month Dr. Robert Skinner from

the Transportation Research Board is scheduled to summarize federal highway research, and in September, staff is planning to present a research action plan for Board consideration.

Research Program Manager Matt Moore and Dr. Michael Kyte, Director, National Institute for Advanced Transportation Technology (NIATT) and Research Program Manager, elaborated on Idaho's research program. In the past five years, 21 ITD projects have been completed, and many research projects have been recognized at the state, regional, and national levels. Research develops practical expertise, allows for breakthrough innovations, integrates academic discipline, educates the future workforce, leverages available resources, and shares knowledge with stakeholders. Some of ITD's focus areas are pavements and asphalts, safety, information technology, bridges, and hydrology and hydraulics.

Dr. Kyte elaborated on the internal program review conducted earlier. The findings indicated that a number of projects have been successfully completed, a strong research program is critical to ITD's success, and although all employees know that the research program exists, there are problems with the dissemination of information and implementation of research. Mr. Moore acknowledged areas that need improving, such as communicating and leveraging existing and planned research, connecting the Strategic Plan and vision, addressing the Department's business needs, and deploying and implementing research results.

Member Miller expressed appreciation for the informative report. In response to Member McHugh's question on the relationship between NIATT and ITD, Dr. Kyte reported that the two entities have a good working relationship. He added that NIATT works closely with the U.S. Department of Transportation and other research centers.

Member Sweeney commented that he has heard concerns from a District that the research program is not beneficial. Dr. Kyte acknowledged that better implementation of research findings is needed. Both NIATT and ITD could do a better job communicating research information. Director Ekern said he has asked Dr. Kyte to help resolve that issue, which was a finding in the internal research review.

Chairman Winder thanked Dr. Kyte and Mr. Moore for the educational presentation and for their efforts in the research program. He asked staff to provide an overview of Dr. Kyte's findings at a future meeting.

WHEREUPON, the Idaho Transportation Board's tour of District 1 and regular monthly meeting officially adjourned at 4:35 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
August 18, 2005
Pocatello, Idaho

WORK SESSION, REGULAR MEETING, AND DISTRICT SIX TOUR OF THE IDAHO TRANSPORTATION BOARD

June 15-17, 2005

The Idaho Transportation Board met at 8:20 AM, on Wednesday, June 15, 2005, at the Idaho Falls Public Library, Idaho Falls, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General
Steve Hutchinson, Chief Engineer
Charles Rountree, Deputy Director

Director Ekern welcomed participants to the work session on the proposed FY07 budget and the draft FY06-10 Statewide Transportation Improvement Program (STIP). He thanked staff for its extensive efforts to develop material for the work session.

FY07 Appropriations. Senior Budget Analyst Joel Drake outlined the proposed budget for FY07, based on information to date. Estimated federal funds in the appropriation request total \$253.4 million, and state revenues are estimated at \$204 million. A 1% change in employee compensation (CEC) has been added for permanent positions and group costs, while a 4% “reserve” for CEC has been included in Contract Construction. The full-time equivalent positions remain at the FY06 level of 1,833.5. Operating expenses are being increased 1.9%, capital facilities total \$3.9 million, and the out-of-state travel request is \$413,620. The budget includes three program enhancements totaling \$11.2 million: Division of Motor Vehicle information technology systems project, facilities modernization, and construction spending authority.

Chairman Winder welcomed Representative Joe Cannon to the work session.

Division of Public Transportation. Public Transportation Administrator (PTA) Larry Falkner reviewed the Division’s responsibilities, including fiscal monitoring, program oversight, federal compliance, and providing technical assistance. Public Transportation Business Manager Janet Weaver elaborated on the Federal Transit Administration (FTA) funding. The funding forecast

for FY04-09 is expected to increase, especially for the urbanized areas. PTA Falkner said some of the challenges in the public transportation arena include meeting the transit service needs of communities and providing services for all populations.

In response to Member Sweeney's question on the status of ridership in the Boise area, Kelli Fairless, Valley Regional Transit Director, responded that ridership has declined. She elaborated on the need to cut services due to insufficient funds. With the funding challenges, it is difficult to increase ridership. Member Sweeney questioned the use of public transportation in other areas of the state if the major population center does not support it. PTA Falkner concurred that utilization of public transit is a concern. He said the Division will continue efforts to increase ridership. Issues that need to be addressed include coordinating client transportation, coping with growth, providing commuter choices, supporting rural tourism, enhancing intercity services, and updating the transportation plan.

Member Blick expressed appreciation for efforts to date to coordinate transportation and to partner with various agencies.

Division of Aeronautics. Aeronautics Administrator (AA) Bob Martin summarized the safety and education, airstrip management, and airport aid programs. Starting with FY07, all airport aid projects will be included in the STIP. He provided information on funding trends and anticipated revenue through FY10. Some of the issues the Division is facing are the federal budget; system funding, particularly for the backcountry strips; and a backlog of airport projects.

Member Sweeney asked if the state is able to provide the necessary match for the federal funds. AA Martin replied that the state has sufficient funds for the match; however, some communities struggle with providing their required match.

In response to Member McClure's question on the U.S. Forest Service's position on backcountry airstrips, AA Martin replied that an acceptable agreement has been reached on the airstrips in the Frank Church Wilderness. He added that airstrips in other wilderness areas are not protected and there are other issues that need to be addressed with the Forest Service.

Member Miller asked if landing fees could be charged at airstrips. AA Martin said that user fees were suggested during the backcountry airstrip symposiums conducted throughout the state last fall. Various revenue options are being explored.

Transportation Program Structure. Dave Amick, Manager, Transportation Investment (MTI), summarized the Transportation Program. The FY07 appropriation request is \$483.5 million: \$188.3 million for operations and \$295.2 million for capital investments and trustee and benefit payments. Funding for capital investments includes \$325,508,000, or 89% for highways;

\$28,364,000, or 8%, for aeronautics; and \$9,289,000, or 3%, for public transportation. MTI Amick summarized the estimated federal highway apportionments based on the U.S. House of Representatives' and Senate's bills. No figures from the conference committee are available.

Association of Idaho Cities' (AIC) Annual Conference. The Board attended the AIC conference lunch at the Shilo Inn, Idaho Falls, Idaho. House Speaker Bruce Newcomb was the featured speaker. Following the luncheon, the Board attended the general session. Chairman Winder thanked the AIC for the opportunity to attend the luncheon and participate in the annual conference. He introduced the Board and staff members and provided an overview on the Board.

Director Ekern, Deputy Director Rountree, and Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided information on the GARVEE Program, re-authorization of TEA-21, and the Forum on Transportation Investments, respectively. The Board returned to the Idaho Falls Public Library.

Transportation Programs – Highways, Continued. MTI Amick summarized the statewide performance programs and funding plan for the Highway Program. The individual program sheets were also provided.

The Board held various discussions related to the GARVEE Program, including concern that resource agencies may not be able to complete projects in a timely manner due to the increased work load; concern that the federal cap may be reached with funding preliminary engineering and right-of-way, leaving less funding available for construction; and the need for the Board to establish the GARVEE project priorities. Discussion on the District funding targets was also held. The general consensus of the Board, with the exception of Vice Chairman Combo, was that the GARVEE Program is a statewide program and the debt service should be taken off the top of available funds.

Executive Session on Personnel Issues, Section 67-2345(1)(b), Idaho Code. Member Miller made a motion to meet in executive session at 7 AM on Thursday, June 16, to discuss personnel issues. Member Blick seconded the motion and it passed 6-0 by individual roll call vote.

WHEREUPON the work session recessed at 5 PM.

June 16, 2005

The Board reconvened in executive session at 7 AM on Thursday, June 16, 2005, in Idaho Falls, Idaho to discuss personnel matters. All members were present.

The Board came out of executive session at 8:10 AM. No decisions were made.

The meeting reconvened at 8:50 AM at the District 6 Office in Rigby, Idaho. All members were present except Chairman Winder. Vice Chairman Combo presided.

May 18-20, 2005 Regular Board Minutes and May 25, 2005 Educational Session Board Minutes. Member Blick made a motion to approve the minutes of the regular Board meeting held on May 18-20, 2005 and the minutes of the educational session held on May 25, 2005, as submitted. Member McHugh seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

July 19-20, 2005 – District 1

August 18-19, 2005 – District 5

September 22-23, 2005 – District 3

Consent Calendar. Member McClure made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB05-26 approves the Public Transportation Division Section 5311 Statewide Transportation Improvement Program Amendment; the reappointment of Public Transportation Advisory Council Member, District 5; the 2015 Statewide Rural Functional Classification Highway System; and additional professional services, I-15, Devil Creek to Downey, District 5; and has received and reviewed the contract award information, the new and supplemental professional agreements report, the Valley Regional Transit follow-up information, the quarterly report on legal actions and contract claims, and the April financial statement analysis.

1) Public Transportation Division Section 5311 STIP Amendment. The Targhee Regional Public Transportation Authority has agreed to transfer \$100,000 of unprogrammed Section 5307 Urbanized funds to the Section 5311 Rural Program administered by ITD. The funds are to be used in the rural areas of District 6 by Community Area Rapid Transit to continue current service levels. The transfer has been approved by the Bonneville Metropolitan Planning Organization.

2) Re-appointment of Public Transportation Advisory Council (PTAC) Member in District 5. Walter Ross was appointed to the PTAC in March of 2000. His term will expire in June 2005, but he would like to serve another three-year term. Staff requested the re-appointment of Mr. Ross to the PTAC, representing District 5, through June 2008.

3) 2015 Statewide Rural Functional Classification Highway System. Staff requested approval of

the 2015 Statewide Rural Functional Classification System map, as shown as Exhibit 304, which is made a part hereof with like effect. Each District reviewed its highways to determine if functional classification changes are necessary. No changes are being proposed.

4) Additional Professional Services, I-15, Devil Creek to Downey, Phase 1 and 2, Key #7840 and #7806, District 5. Staff requested approval to exceed the term agreement limit with JUB Engineers by \$800,000. The original agreement was for preliminary engineering in the amount of \$250,000. It was the District's intent to bring the project in-house for final design. Due to personnel changes and the current workload, District staff is requesting to have JUB Engineers complete final design and Plans, Specifications, and Estimates submittal. Sufficient funds have been programmed in FY05 and FY06 to cover the design costs of the projects.

5) Contract Award Information. Key #9100 – SH-3, Bovill to Latah County Line, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$1,079,505.

Key #8663 – I-15, Merrill Road Interchange #47 Bridge, McCammon, District 5. Low bidder: Jack B Parson Companies - \$290,663.

Key #8936 – US-95, Safety Improvements, District 1. Low bidder: Specialized Pavement Marking, Inc. - \$651,160.

Key #8958 – US-95, New Meadows to Cattle Crossing, District 3. Low bidder: Valley Paving & Asphalt - \$2,199,600.

The low bids on key #8156 – US-12, Westbound Passing Lanes, Milepost 53, Lewis County, District 2 and key #6645 – SH-75, Basin Creek Bridge, Custer County, District 6 were more than ten percent over the engineer's estimate and staff rejected the bids.

6) New and Supplemental Professional Agreements Report. From May 2 through May 30, the Consultant Administration Unit processed \$1,227,225 in professional, supplemental, and term agreements.

7) Valley Regional Transit (VRT) Follow-up Information. At the March meeting, VRT provided an update on its activities and suggested options for the Board to provide assistance. Staff summarized the rail corridor status in the Boise area and suggested if VRT has the opportunity to purchase the rail line, funding could be provided from several FTA and/or FHWA sources. Regarding an Intermodal facility, funding could come from FTA Section 5309 Discretionary Bus and Bus Facility earmarks through the Congressional delegation. Additionally, some funding for these types of facilities has been provided through formula allocations in the Section 5307 Urbanized Program or flexed from the Surface Transportation Program or Congestion Mitigation/

Air Quality Program. Some options for the Board to interact with the VRT Board include periodic updates from the VRT Board or director, a Board member could attend the quarterly VRT Board meetings, and a Board member could be on the VRT Board. Regarding local option funding, a Statewide Task Force on Public Transportation submitted ten options for local funding to the Legislature in 2004. The Task Force concluded that a person property tax on the assessed value of a vehicle and a title transfer fee were the most appropriate.

8) Quarterly Report on Legal Actions and Contract Claims. A summary of legal cases resolved by the Legal Section, a status of current legal cases, and a report on contract claims were presented.

9) April 2005 Financial Statement Analysis. The total federal aid received was \$22.1 million or 12% ahead of projections through April. Revenue from the Highway Distribution Account was \$6.7 million, or 4.8%, ahead of the forecast. The revenue sources making up the increase are gasoline, passenger car registration, and commercial registration. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 3.8% and the state program was 18% less than projected.

Aviation fuel tax revenue for April was ahead of projections by 10%, or \$108,000. Miscellaneous revenue was 8% below the year-to-date forecasted amount. Overall expenditures were less than budgeted. The Aircraft Operations Fund was right on projections and is expected to meet the forecasted budget amount of \$200,000. Expenditures exceeded the same time period last year by approximately 35% due to increased use of charter service, training for pilots, fuel, and aircraft repair and maintenance.

2006 Strategic Plan. Staff requested approval of the 2006 Strategic Plan for submittal to the Division of Financial Management (DFM). Per DFM requirements, performance reports will not be submitted this year. New legislation requires each agency to submit a profile to DFM by November 1.

Regarding the targeted performance standards to assure that 95% of highway projects are ready to bid on time, Member McHugh asked how many projects are delayed due to resource agencies or utility companies not meeting ITD's schedule. CE Hutchinson did not have that information available, but said staff can research that issue. Member McHugh commented that he does not want projects delayed because of outside entities to reflect poorly on the Department. CE Hutchinson replied that staff needs to ensure the project schedule allows sufficient time for other entities to meet the time lines. He added that staff is exploring options to address utility delays.

By unanimous consent, the Board approved the 2006 Strategic Plan.

Board Items. Member Sweeney distributed information prepared by an Ad Hoc Committee

established to address concerns with the Bryden Canyon project in Lewiston. The group alleges mistakes were made with the project. Member Sweeney asked the Board to review the information, submit comments to him, and he will relay those comments to the Committee.

Vice Chairman Combo said the lack of cell phone service in some parts of the area was a concern expressed at a recent Bonneville County Transportation Committee meeting. He asked Director Ekern to establish a team to consider erecting call boxes statewide where cell phone service is not available. He suggested inviting law enforcement to participate on this team.

Member Blick relayed concerns on the 5-lane section of US-30 between Filer and Twin Falls. Some motorists have a tendency to drive slower in the left lane, beside another motorist, causing traffic to back up behind these slower-moving vehicles. He asked staff to look into signing options.

Department Activities. At the request of Director Ekern, Lance Giles, Transportation Policy Advisor for Governor Kempthorne, reported on the recent Western Governor's Association meeting. A transportation policy paper was submitted at the conference. Some of the focus areas included addressing transportation issues on a regional basis; safety; improving project delivery; and new, innovative funding. These issues will also be presented to U.S. Department of Transportation Secretary Norman Mineta during his visit to Boise on June 24.

Administrator, Division of Administration (ADA) Susan Simmons, provided an update on the implementation of the FY05 salary plan and the facilities master plan. She also mentioned that health insurance complaints have been received from District 5 employees. She will meet with employees next week to discuss the concerns and determine what options may be available.

Chief Technology Officer (CTO) Liza Fox reported on the status of the information technology transportation plan. Some of the accomplishments to date include the decision to discontinue growing the expensive and difficult to operate infrastructure, consolidating physical equipment and eliminating some equipment, the decision to no longer grow the legacy systems and discontinue enhancing those systems, and creating a plan to become more responsive.

In response to a question on the transformation process, CTO Fox responded that change can be difficult for employees; however, she believes the employees understand the need to change and are accepting the plan. Vice Chairman Combo asked about the Districts' involvement. CTO Fox said that the Districts are involved and efforts are being made to keep all employees informed of the changes and the status of the project.

Motor Vehicle Administrator (MVA) Pamela Lowe reported on efforts the Division of Motor Vehicles (DMV) is taking to upgrade its computer programs. The system is old and numerous

changes have been made over the years. The current programs are inefficient. Numerous changes will need to be made to the drivers' licensing system soon in response to the federal Real ID Act. To meet the programming demands and increasing expectations of its customers, the DMV is considering outsourcing efforts to replace its software programs. MVA Lowe said a more detailed presentation will be provided to the Board in August.

In response to Member McHugh's question, MVA Lowe replied that the majority of software programs are developed in-house. The programs are unique to Idaho based on legislative changes. Member McHugh expressed concern that ITD's efforts may be redundant and other states may have programs available for Idaho's use.

Vice Chairman Combo commended MVA Lowe for the excellent customer service the DMV staff provides. People have relayed their satisfaction with the DMV service to him.

CE Hutchinson informed the Board of a slide on US-95 at milepost 210.5 earlier this month. The area has a history of slides. Currently, flagging is being performed at the site 24 hours a day until rockfall ceases for 72 hours. Staff has solicited rock scaling firms to scale the top of scarpe. Work will take about two weeks and cost approximately \$50,000. Slide debris is estimated between 150,000 and 300,000 cubic yards. One-third of the fence has been damaged. Preliminary cost estimates for repairs range from \$2 to \$4 million. CE Hutchinson added that FHWA and the Bureau of Homeland Security have been contacted regarding disaster aid relief.

BPIRM Pipal summarized the legislative concepts planned for the 2006 session. The concepts will be discussed in more detail next month, and the Board will be asked to approve the concepts at that time. One proposal is to increase the reimbursement amount to vendors to issue hazardous waste permits from \$2 to \$3. She asked the Board to provide guidance on establishing the fee through legislation. The consensus of the Board was to eliminate fees in code. Vice Chairman Combo asked Member Sweeney to assist BPIRM Pipal with the idea to issue plastic ID cards for driver's training permits and to make the permit fee uniform for the consumer.

Presentation – Adopt-A-Highway Group of the Year. Vice Chairman Combo thanked Lyn's Linens for participating in the Department's Adopt-A-Highway Program. He provided background information on Jim Pletscher and presented a plaque to him for his dedication to pick up litter on US-20 from milepost 287 to 291 and 284 to 285.

Contract Awards. CE Hutchinson said the low bid on key #5137, DPH-NH-F-2390(104), Twin Falls Alternate Route, Stage 1, Twin Falls County, District 4, was more than ten percent over the engineer's estimate, requiring justification. In comparing the bid with the Engineer's Estimate, staff determined that the removal item costs were higher. There are limited sources for construction materials in the area. Concrete aggregate, plantmix, concrete, base, and drainage

rock will be hauled over 50 miles, which is the nearest state or contractor approved source. Discussions with the contractors indicate the concrete will take at least three passes to complete the full roadway width. The concrete batch plant will have to be remobilized or remain idle between each phase. Concrete costs reflect the supplier's limited quantity and delivery schedule. Minor structures, pipe aprons, and concrete pavement were affected. Steel delivery schedules are a concern to the contractor, and concrete and fly ash supplies are limited. Due to the importance of this project, staff recommends awarding the contract.

Member McHugh made a motion to award the contract on key #5137 to the low bidder: Western Construction, Inc., Boise, Idaho - \$18,876,575.87. Member Blick seconded the motion and it passed unopposed.

GARVEE Program Management. CE Hutchinson believes there will be a greater focus on delivery of projects funded through GARVEE bonds to be on time and within specified budget limits. This is due to the uniqueness of the special conditions in using project related bonding. The Department has explored options, including the educational session on May 25, for a different program management approach. Based on research and discussions, CE Hutchinson believes the best approach for ITD to use to deliver the GARVEE Program is the manager-owner agent consultant.

Member Sweeney asked if one person will be able to manage the GARVEE Program. CE Hutchinson explained that management of the Program would be conducted on a smaller scale of the current Division of Highways, with staff to supplement the design, environment, right-of-way, traffic, materials, and construction activities. Member Sweeney asked about the District Engineers' involvement. CE Hutchinson replied that a core management team will be established, including the executive level leader, the District Engineers, a financial specialist, a contracts specialist and expert, and an FHWA liaison. Member McHugh questioned the District Engineers' ability to be actively involved in the GARVEE Program without additional resources.

Member McHugh made a motion, seconded by Member Blick, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the 2005 Idaho Legislature authorized the use of GARVEE bonding
ITB05-27 as an innovative financing tool to implement the Connecting Idaho Program; and

WHEREAS, the statute requires requesting legislative approval of the major program of projects for Connecting Idaho GARVEE bond issuance; and

WHEREAS, there is an annual requirement to report to the legislature the status of the GARVEE bonding for the Connecting Idaho Program; and

WHEREAS, the Idaho Transportation Department does not currently have sufficient staff resources to implement and deliver the Connecting Idaho Program funded through the use of innovative financing; and

WHEREAS, the Idaho Transportation Board and Department have explored current national trends on major program management and delivery; and

WHEREAS, the Board desires to retain control of oversight of the Connecting Idaho Program.

NOW THEREFORE BE IT RESOLVED, that the Department is directed to develop a request for proposals for the services of a program manager-owner agent consultant to assist in the implementation, delivery, and reporting necessary to achieve a successful outcome for the Connecting Idaho Program, and to submit the draft RFP to the Board before finalizing it and soliciting proposals.

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Member McClure made a motion to meet in executive session at 12:10 PM to discuss legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote. Member Blick left the meeting at this time.

The discussion on pending litigation related to an access appeal on SH-44 and the US-95, Mica Bay project.

The Board came out of executive session at 12:50 PM. No decisions were made.

FY06-10 Draft STIP Process. Intermodal Planning Manager Pat Raino summarized the process for updating the STIP. The document is based on a transportation planning process that allows for public involvement and for coordination with local governments and other agencies. A copy of the draft STIP, reflecting changes made at the June 15 work session, will be available for public review and comment in July for 30 days.

The Board also discussed the Department of Lands' request to increase the Community Transportation Enhancement Program in the Enhancement Program from \$100,000 to \$200,000 annually and to use funds to administer the program. The Board will act on this request when the STIP is submitted for approval in September.

How ITD Determines State vs. Private Materials Sources. Materials Engineer (ME) Miles said most highway projects require aggregate materials to complete the work. Under the Department's Standard Specifications, all materials sources are contractor furnished. However, the contractor

may choose to use a private source, or it may request to use a materials site controlled by the Department. If a State source is approved for use, the contractor generally pays a royalty to the State, which is used to investigate and purchase other sources. ITD owns or controls sources in each District. When materials source sites are no longer necessary or have been depleted, they are reclaimed and relinquished back to the original public agency or sold.

In response to Member McHugh's question, ME Miles said the same royalty is charged for all ITD sources regardless of the location. He added that the fee structure is a concern and a more-detailed report will be presented to the Board later on that issue.

Member McHugh asked if the state sources are available to local entities. ME Miles replied that generally, ITD's sources are only used for state projects; however, a District may allow local units of government to use a state source if requested. Member McHugh expressed concern with ITD owning material sources, as the property is not on the tax roll and the sources are not generally available to local governments.

Member Sweeney said he believes ITD needs to own sources, partly for quality control. Member Miller relayed concerns in District 5 when a source had not been mined in a number of years and then the District was required to obtain a new permit for the site. He said contractors are often innovative in identifying sources, and he believes the market should dictate use of material sources.

Alkali-Silica Reaction (ASR). ME Miles said ASR is a significant concrete durability problem resulting in premature deterioration of concrete structures and pavement. He introduced David Stokes, FMC representative, who elaborated on ASR. ASR-induced damage occurs when reactive silica in aggregate reacts with alkalis in Portland cement in the presence of moisture. The reaction produces an expansive gel that causes cracking in the concrete. Once cracking occurs, the concrete is susceptible to various deterioration mechanisms, including further ASR-induced damage, freeze-thaw, and deicing chemical attack. ASR can be reduced or eliminated by the use of admixtures in the fresh concrete, such as fly ash, lithium, and granulated ground blast furnace slag. Mr. Stokes summarized the efforts ITD has taken to manage ASR issues, and believes the Department has done more to address ASR issues than most states.

New Business. In response to an earlier concern Member McHugh expressed on the availability and shortage of Portland cement in Idaho, ME Miles provided information on this issue. ITD was recently notified by the major cement suppliers that all concrete producers are being placed on a 75 to 80% allocation. Shortages are statewide, but will be more pronounced in northern and southwestern Idaho and could last two to three construction seasons. As a result, ITD may see some delays in placing concrete for structures and contractors may have to provide significant advance notice of placements to concrete producers. ITD can expect to see increases in concrete

prices and in cement prices for CRABS projects. Staff will continue to monitor cement availability and prices.

Member McClure said the Idaho Chapter of Associated General Contractors' (AGC) annual conference will be held in McCall next month. He believes it would be beneficial for the Department to give a presentation on the GARVEE Program, particularly on managing and delivering the Program. Director Ekern replied that AGC has requested that the Department be on the agenda for the upcoming meeting.

MTI Amick distributed Highway Development Program sheets for the GARVEE Program that included information on preliminary engineering and right-of-way, in addition to

construction costs. Member McClure asked staff to develop Program sheets for the entire GARVEE Program, breaking the Preliminary Development information into specific years for the anticipated 18-year time period.

Vice Chairman Combo said he visited with City of Orofino officials at the AIC luncheon yesterday. The City Manager expressed appreciation to the District 2 staff and Member Sweeney for the assistance they are providing.

Vice Chairman Combo also thanked the District 6 staff for its efforts to accommodate the Board's three-day meeting in the area.

WHEREUPON the meeting recessed at 3:15 PM.

June 17, 2005

The Board reconvened at 8:15 AM on Friday, June 17, 2005, in Idaho Falls, Idaho. All members were present except Member Blick.

The Board traveled to Rexburg via US-20 east.

Delegation – Local Officials. The Board met with various officials from the area at the Rexburg Chamber of Commerce. Chairman Winder thanked the delegation for meeting with the Board. Director Ekern summarized the June 15 work session on the FY07 budget and elaborated on the GARVEE Program.

Representative Mack Shirley expressed appreciation to the Board members for their service. He believes the state has a good transportation system, but more improvements are needed. He asked

for information regarding the GARVEE Program, as he heard some projects are being delayed due to this new bonding program. He also commented on the need to construct sidewalks near schools in Ashton.

Director Ekern emphasized that no projects have been delayed, nor will any projects be delayed, because of the new GARVEE Program. He explained that other elements may cause project delays, such as environmental concerns, right-of-way issues, and insufficient funds due to cost increases and/or the lack of a new federal transportation act.

Assistant District Engineer Brent Jennings reported that the District has been working with Ashton officials on the city's request for sidewalks. Temporary sidewalks will be constructed before school starts this fall.

DE Cole said the City of Rexburg's project to address parking concerns on Main Street (SH-33) may not be eligible for funding. The current diagonal parking is a safety issue, but if that parking configuration is not changed, Hazard Elimination Program funds cannot be used.

John Webber, Board Member of the Rexburg Redevelopment Agency, elaborated on the growth in the Rexburg area and the City's efforts to address the growth-related issues, including traffic concerns. Parking in the city's downtown business district is a concern and options are being explored to address that issue. DE Cole mentioned that designating SH-33 as a business route is also being considered. Discussions have been held with the City of Sugar City and Madison County, as those jurisdictions would also be impacted by this change.

Mr. Webber thanked DE Cole and his staff for the assistance they have provided. He added that the Rexburg Mayor will meet with the Board later in the day to elaborate on the City's transportation concerns. (See later minute entry.)

Other delegation members stressed the importance of addressing the transportation needs in the area due to increased recreation and the popularity of Yellowstone and Teton National Parks on a regional basis; the increased traffic on Kilgore Road to travel between I-15 and US-20, particularly commercial traffic that bypasses the port of entry; and concerns on the difficulty to obtain a hazardous material endorsement and allegations that Canadian truckers hauling grain to Pocatello are not abiding by U.S. regulations for hours of service and weight restrictions.

The Board members and staff provided information on the various issues, except the hazardous material endorsement. Staff will contact Mr. Mike Ricks to provide information on that subject. Chairman Winder thanked the delegation for meeting with the Board.

The Board traveled to the US-20, Hitt Road and St. Leon Road interchange construction sites. Staff briefed the Board on the projects before the group returned to Idaho Falls on US-20. After lunch, the Board visited the I-15, Sunnyside Interchange and Sunnyside Bridge construction sites.

Delegation – City of Rexburg. At the Idaho Falls City Electric Building, the Board met with officials from the City of Rexburg. Mayor Shawn Larsen thanked the Board for its time. He emphasized the City's desire to make Rexburg pedestrian friendly. Consultant Tom Hudson said the average daily traffic count is between 18,000 and 22,000 on Main Street, or SH-33. He explained the current traffic situation and mentioned options that are being explored to manage the existing and projected increased traffic and to address parking concerns. Mayor Larsen said the City of Rexburg has discussed changing SH-33 to a business route with the City of Sugar City and Madison County. Mr. Hudson believes a regional approach is needed.

Mayor Larsen emphasized the City's desire to partner with ITD on traffic concerns. Revitalizing downtown Rexburg and accommodating the traveling public are high priorities for the City; however, Mayor Larsen said that the City wants to ensure ITD's needs and concerns are also addressed. He added that the continued growth at Brigham Young University – Idaho will result in additional pedestrian traffic.

The Board encouraged the City of Rexburg to consider adding the portion of SH-33 that goes through Rexburg to its system, resulting in the City's control of the route on issues like access and providing more flexibility to the City. Staff will provide examples of assistance that the Department has provided to other municipalities when the state has relinquished routes to cities. The Board emphasized its desire to work with the city officials and provide assistance to accomplish the city's goals.

Mayor Larsen thanked the Board members for their efforts. He will discuss the proposed relinquishment of SH-33 with the City Council and will continue to work with DE Cole on this issue.

Vice Chairman Combo thanked Idaho Falls Mayor Linda Milam, who was in attendance, for the use of the Idaho Falls Public Library on June 15 and the City Electric Building.

WHEREUPON, the Idaho Transportation Board's work session, regular monthly meeting, and tour of District 6 officially adjourned at 4:15 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
July 20, 2005
Coeur d'Alene, Idaho

EDUCATIONAL SESSION OF THE IDAHO TRANSPORTATION BOARD

May 25, 2005

The Idaho Transportation Board met at 9:30 AM on Wednesday, May 25, 2005, for an educational session on national trends in expedient program delivery. The following principals were present at the Idaho Transportation Department in Boise, Idaho:

Charles L. Winder, Chairman

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Monte C. McClure, Member – District 3

Gary Blick, Member – District 4

Neil Miller, Member – District 5

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Steve Hutchinson, Chief Engineer

Karl Vogt, Deputy Attorney General

Director Ekern welcomed the Board and participants to the educational session. The purpose is to learn about trends being used to deliver and manage major programs across the nation. He indicated a desire to pursue options for ITD to deliver the Grant Anticipation Revenue Vehicle (GARVEE) Program. He also provided statistics on the Department's history of delivering projects in their programmed year. Between 1996 and 2004, approximately 55% to 60% of the projects were delivered on time.

Hal Kassoff, Senior Vice President, Parsons Brinckerhoff Quade & Douglas, Inc., provided historical information on federal funding. He commented that during the past decade, a number of state departments of transportation (DOTs) reduced staff while the agencies' budgets increased more than 50%. Many DOTs are looking at options to manage and deliver large projects. He elaborated on program management through total delegation, an integrated staff, and parallel staff augmentation.

Mr. Kassoff acknowledged that conflicts between the DOT and consulting firm could arise. DOT personnel may have concerns related to controlling projects, retaining accountability, and job security. The project manager needs to be sensitive to the DOT concerns and perform in accordance with the DOT's expectations while offering innovative solutions. He also stressed the importance of team building efforts, and believes it is important to identify the roles of staff, both in Headquarters and the Districts.

In conclusion, Mr. Kassoff summarized some lessons that the consulting firm has learned with program management. When DOTs hire a consulting firm to oversee large programs, he believes it is important for the program manager to adapt to the DOT culture, open communication and trust between the two entities are essential, and the phasing-in and phasing-out process requires planning.

Representatives from the consulting firms of Washington Group, International and CH2M Hill gave a joint presentation on methods they have used to manage large programs, including owner managed, integrated management, consultant management, and management at risk. They also provided examples of these methods. Sheldon Barker, CH2M Hill, led a group exercise to determine which option may be best for ITD to use to manage the GARVEE Program. Based on this exercise, which indicated the highest priorities to deliver the program are schedule, flexible program scope, and stakeholder influence, integrated management may be the best option.

Bryan Nicol, CH2M Hill, concluded the presentation by stating new and aggressive problem solving approaches to deliver transportation solutions are needed. DOTs are changing their approach to delivering projects. They are making decisions and acting to best serve their customers.

Director Ekern thanked the consulting firms for their educational presentations. He believes the information may be applicable to manage the GARVEE Program, as well as other programs. Staff will review the information on managing major programs and prepare a recommendation for the Board.

WHEREUPON the special session of the Transportation Board adjourned at 3:10 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
June 16, 2005
Idaho Falls, Idaho

REGULAR MEETING AND DISTRICT TWO TOUR OF THE IDAHO TRANSPORTATION BOARD

May 18-20, 2005

The Idaho Transportation Board met at 8:30 AM, on Wednesday, May 18, 2005, at Three Rivers Resort, Lowell, Idaho. The U.S. Forest Service (USFS) coordinated an optional float trip on the Lochsa River. The following principals participated:

John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Sue S. Higgins, Board Secretary
Steve Hutchinson, Chief Engineer

Steve Moreno, Division Administrator, Federal Highway Administration; Idaho Transportation Department District 2 employees; and representatives from the USFS and Idaho Rivers United were also present. The group traveled east on US-12 approximately 30 miles and began rafting the Lochsa River.

Vice Chairman Combo, District 6, joined the group when it stopped for lunch. The group discussed various transportation issues on US-12, including maintenance, signing for pedestrians, and the recent installation of rumble strips to enhance safety. Concern with the numerous trucks hauling hazardous material, particularly fuel, was expressed. DE Carpenter mentioned the corridor plan being developed for US-12. CE Hutchinson emphasized the importance of public involvement as part of that process.

Heather Berg, USFS Wild and Scenic Rivers Administrator, said the Forest Service owns a lot of land along US-12 and its activities impact the highway. She meets with District staff periodically to discuss issues of mutual concern. She appreciates the good working relationship that the two entities have established. Ms. Berg also mentioned that an application has been submitted to designate US-12 and SH-13 as an All American Road.

Vice Chairman Combo thanked the parties for coordinating the float trip and for their comments. The outfitters also expressed appreciation to the Board for participating in the trip, discussing transportation issues, and answering questions.

Vice Chairman Combo left at this time, and the group continued rafting the Lochsa River.

The group returned to Three Rivers Resort at 5:15 PM where the tour concluded.

May 19, 2005

The Board met at 8:00 AM, on Thursday, May 19, 2005, at the ITD District 2 Office, Lewiston, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Dave Ekern, Director
Sue S. Higgins, Board Secretary
Steve Hutchinson, Chief Engineer
Karl Vogt, Deputy Attorney General

April 21-22, 2005 Regular Board Minutes, April 26, 2005 Special Board Minutes, and May 3, 2005 Special Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on April 21-22, 2005 and the minutes of the special Board meetings held on April 26, 2005 and May 3, 2005, as submitted. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

June 15-17, 2005 – District 6
July 19-20, 2005 – District 1
August 18-19, 2005 – District 5

Member Sweeney joined the meeting at this time.

Consent Calendar. Vice Chairman Combo asked for clarification on the proposed reorganization in the Division of Motor Vehicles. Port of Entry Manager (POEM) Alan Frew confirmed that no existing positions would be eliminated. Member McHugh questioned the personnel complement report, which is part of the financial statement analysis. He noted that the chart indicates District 1 had one vacancy; however, he thought there were several vacancies in the District.

Administrator, Division of Administration (ADA) Susan Simmons responded that the data is derived from the Department's personnel system. The reported vacancies were as of March 31, 2005; however, she will check the accuracy of the reporting system.

Vice Chairman Combo made a motion, seconded by Member Blick, and passed unopposed, to

approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board ITB05-16 approves the Public Transportation Division Section 5311 Statewide Transportation Improvement Program (STIP) Amendment; the Community Planning Association of Southwest Idaho STIP amendment; the FY06/state FY07 public transportation grant funding; the FY06 out-of-state travel; advance Rathdrum Pedestrian Path, District 1, in the Enhancement Program; offset cost increase, I-84, Karcher Interchange, Nampa, District 3; amend IDAPA rule regarding sale of surplus property; a letter of recommendation for appointment to the Idaho Appraisal Licensing Board; and additional services, US-95, Upper Eastport Moyie River Bridge, District 1; and has received and reviewed the contract award information, the new and supplemental professional agreements report, the Division of Motor Vehicles' reorganization, the quarterly returned check report, and the March financial statement analysis.

1) Public Transportation Division Section 5311 STIP Amendment. The Targhee Regional Public Transportation Authority has agreed to transfer \$35,000 of unprogrammed Section 5307 Urbanize funds to the Section 5311 Rural Program administered by ITD. The funds would be used in Moscow by Valley Transit to operate the fixed route service in partnership with the University of Idaho, City of Moscow, and Latah County. Staff requested a STIP amendment to transfer the funds.

2) Community Planning Association of Southwest Idaho (COMPASS) STIP Amendment. COMPASS requested a STIP amendment to exchange funds between Boise State University (BSU) and Valley Regional Transit (VRT). BSU received an earmark in Section 5309 Discretionary Bus and Bus Facilities Program in FY03 for \$373,738 to be used for preliminary design for a multimodal facility. BSU has not been able to obligate these funds and would like to exchange the FY03 funds for FY05 funds with VRT. VRT will be able to obligate the FY03 funds for preventative maintenance before they lapse in September. BSU will continue to work towards a transit facility using the exchanged FY05 funds.

3) FY06/State FY07 Public Transportation Grant Funding. The Division of Public Transportation has realigned its annual grant schedule to conform with the preparation of the STIP. Public meetings have been conducted, and the application review process has been completed. Funding includes FY06 Federal Transit Administration Section 5311 Rural Program, \$1,662,176; Section 5310 Elderly and Persons with Disabilities Program, \$424,529; and State FY07 Vehicle Investment Program, \$312,000. The recommended projects are shown as Exhibit 301, which is made a part hereof with like effect.

4) FY06 Out-of-State Travel. The FY06 out-of-state travel request is for \$413,620. The total

includes trips funded by state, federal, and third-party sources.

5) Advance Rathdrum Pedestrian Path, Key #9148, District 1. Staff requested advancing the Rathdrum Pedestrian Path from FY06 to FY05 in the STP-Enhancement Program. The project, which will be ready for advertisement this summer, is companioned with SH-41, Rathdrum Pedestrian/Bike Path, key #8709. This project, programmed in FY04, is ready for advertisement. Advancing the Rathdrum Pedestrian Path project will allow for the two projects to be bid and constructed together at a cost savings. The construction cost for the project is \$59,000 and funds are available in FY05 from deobligations to previous Enhancement projects.

6) Offset Cost Increase to I-84, Karcher Interchange, Nampa, Key #3214, District 3. The revised engineer's estimate for the FY05 I-84, Karcher Interchange project exceeds the current construction estimate of \$25.8 million by \$5.7 million. With the advanced construction provisions of the Transportation Equity Act for the 21st Century, \$7 million of federal funds would be obligated in FY05 and \$24.5 million of advanced construction would be converted to federal funds in FY06. An additional \$1.4 million is also required for right-of-way acquisition, bringing the total cost of additional funds for this project to \$7.1 million prior to advertisement for award. To offset this cost increase, staff is requesting the delay of the SH-55, Marsing to Sunnyslope Curve project, key #0088, for \$8.1 million from FY06 to FY07. Out-years of the current STIP will be balanced during the STIP update.

7) Amended IDAPA Rule Regarding Sale of Surplus Property. The 2005 Idaho Legislature approved legislation allowing the sale of surplus ITD property to local governments at a negotiated price less than the appraised value. For local governments to qualify to purchase property at less than the appraised price, the property must be within their area of jurisdiction and used exclusively and permanently for a public purpose. Current IDAPA rules regarding the sale of surplus property do not allow sale of property for less than the appraised price. Staff requested amending IDAPA 39.03.45, Rules Governing Sale of No Longer Useful or Usable Real Property, to allow the sale of surplus ITD property to local government entities at a negotiated price less than the appraised value.

8) Letter of Recommendation for Appointment to Idaho Appraisal Licensing Board. In 1997, the Board recommended to the Governor that Doyle Pugmire, Right-of-Way Appraisal Coordinator, be appointed to serve on the Idaho Appraisal Licensing Board. Mr. Pugmire, who has served in this position for the past eight years, tendered his resignation effective July 1, 2005. Rick Bachmeier, the Appraisal Review Coordinator, would like to serve on the Appraisal Licensing Board. Mr. Bachmeier has worked as an ITD appraiser for 16 years. Staff requested Board endorsement of Mr. Bachmeier's appointment to the Idaho Appraisal Licensing Board.

9) Additional Services for US-95, Upper Eastport Moyie River Bridge, Key #6517, District 1.

Entranco was selected to complete the construction engineering and inspection work on the Upper Eastport Moyie River Bridge project. Based on river restrictions, the District realized this would be a two-year construction project; however, the consultant agreement was based on one year of construction due to budget constraints. The District would like to maintain the existing working relationship between the prime contractor and Entranco to complete the construction for this project. Retaining Entranco would exceed the work task limit, requiring Board approval. The additional services, in the amount of \$236,000, would bring the work task amount to \$477,000.

10) Contract Award Information. Key #8814 – SH-55, Intersection Farmway Road, Near Caldwell, District 3. Low bidder: WF Construction and Sales, LLC - \$148,476.

Key #9665 – District 2 FY06 sealcoats. Low bidder: Poe Asphalt Paving, Inc. - \$738,440.

Key #7833 and #7834 - SH-81, J Canal Bridge and H Canal Bridge, Cassia County, District 4. Low bidder: Cannon Builders, Inc. - \$1,408,018.

Key #8578 – SH-55, Payette River Bridge to Milepost 66.7, Horseshoe Bend, District 3. Low bidder: Idaho Sand & Gravel Company, Inc. - \$798,810.

Key #8713 – US-95, Pennsylvania Avenue, Southwest 4th Street, Fruitland, District 3. Low bidder: WF Construction and Sales, LLC - \$369,495.

Key #9657 – SH-27 and US-30 Sealcoat, District 4. Low bidder: Kloepper Inc. - \$994,920.

Key #9678 – I-90, Cedars to Cataldo, Sealcoat, District 1. Low bidder: Conmat - \$411,665.

The low bids on key #8711, US-12, Lewiston Visitor Enhancement, District 2 and key #8684, Banks to Lowman Chip Seal, District 3, were more than ten percent over the engineer's estimate and staff rejected the bids.

11) New and Supplemental Professional Agreements Report. From April 5 through May 1, the Consultant Administration Unit processed \$3,250,970 in professional, supplemental, and term agreements.

12) Division of Motor Vehicles (DMV) Reorganization. Two sections within DMV serve commercial vehicles, Motor Carrier Services (MCS) and Ports of Entry (POE). With the upcoming retirement of the MCS Manager, Jennifer Finke, Motor Vehicles Administrator Pamela Lowe is proposing to move the MCS function under POE. POEM Frew would oversee both areas. All POE employees would report to a new POE supervisor. This position would be created with the vacant MCS manager position. Staff anticipates this reorganization would continue to

provide quality One Stop Shop service while allowing staff to improve efficiency, consistency, and customer service in POE. After the changes are made, DMV Lowe will monitor the effects to assure the One Stop Shop service is not decreased and that the POE service is enhanced. The change will be effective July 1.

13) Quarterly Returned Check Report. During the third quarter of FY05, \$14,499,228 in checks were received, while \$116,017, or .8%, were returned. Collections of returned checks totaled \$114,076 for a quarterly collection rate of 98.33%.

14) March 2005 Financial Statement Analysis. The total federal aid received was \$21.7 million or 13% ahead of projections through March. Revenue from the Highway Distribution Account was \$4.8 million, or 3.7%, ahead of the forecast. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 2% and the state program was 18% less than projected.

Aviation fuel tax revenue for March was ahead of projections by 10%. Miscellaneous revenue was 6% below the forecasted amount year-to-date. Overall expenditures were less than budgeted through the end of March. The Aircraft Operations Fund was behind projections by \$21,700 or 12%. Expenditures were less than budgeted through the month; however, they exceed the same time period last year by approximately 41% due to increased use of charter service, training for pilots, fuel, installation of the Terrain Avoidance Warning System on the King Air, and aircraft repair and maintenance.

Board Items. Because Member Miller is concerned with utility companies causing delays to highway construction projects, he asked staff for information on this issue earlier. He reported that there have been several projects that have had utility delay claims of \$100,000 or more in the past five or six years. Additionally, numerous small utility delay claims were resolved at the resident engineer level. Most small utility delays get resolved without becoming claims, but ITD pays for the delays. Member Miller believes utility-caused delays are a significant issue.

Chairman Winder asked for a future report on utility delays. Director Ekern said this is a national issue. Staff will provide information on this topic at the August meeting.

Member Sweeney reported on a recent trip to Washington, DC. Several aviation representatives, including Aeronautics Administrator Bob Martin and Aeronautics Advisory Board members, also participated in the trip. Meetings were held with Idaho's Congressional Delegation to discuss various aviation topics. Member Sweeney believes the trip was beneficial.

Several Board members expressed concern with the facilities study process and that they weren't better informed of the study and its recommendations. They also suggested that Public Affairs

issue statements to clarify the activities related to the facilities study.

Director Ekern said he met with District 4 personnel when he was in Shoshone last month prior to the Board meeting. He informed staff of the facilities study and the preliminary results. Director Ekern apologized to the Board for the miscommunication on this issue and emphasized that no actions will be taken on any of the Department's facilities without the Board's approval.

Earlier this week, Vice Chairman Combo attended the Idaho Falls Chamber of Commerce's Annual Law Enforcement Appreciation Day. He was pleased to report that the Chamber, on behalf of Idaho State Police (ISP), presented District 6 Engineer Tom Cole with a plaque in recognition of the outstanding dedication and service to the citizens of the community. Vice Chairman Combo elaborated on the partnership that District 6 has established with ISP.

Chairman Winder commended Director Ekern, DAG Vogt, and the other parties involved in settling the I-84, Wye Interchange, construction claim. He noted the extensive time and effort that was dedicated to that case. The Board will send thank you letters to those involved.

Chairman Winder also mentioned U.S. Department of Transportation Secretary Norman Mineta's plans to visit Boise on June 24. He encouraged the Board members to attend the planned activities, if their schedules allow.

Department Activities. Director Ekern reported that staff is reviewing issues related to the tribal fuel tax issue and will present a report at the July meeting.

Director Ekern said he attended an American Association of State Highway and Transportation Officials (AASHTO) annual spring meeting recently. The conference was beneficial, particularly the sessions on innovative finance and techniques to deliver programs. He is organizing an educational session for the Board, District Engineers, and other participants on May 25 to inform the group on national trends in expediting program delivery.

Staff is continuing its efforts with FHWA, the University of Idaho, and BSU on hosting a statewide safety summit. This endeavor is a result of FHWA's and ITD's strategic plans.

Congress recently passed legislation affecting the issuance of driver's licenses, the REAL ID Act. Director Ekern stated that staff is still reviewing the legislation and its impacts to Idaho, and will provide information to the Board at a future meeting.

Director Ekern was pleased to report that the Department received 19 various media awards recently. He commended Public Affairs Officer Jeff Stratten and his staff for their outstanding efforts.

Director Ekern said he will be out of the office the end of May and beginning of June, taking personal time and then attending an AASHTO subcommittee meeting.

In conclusion, Director Ekern reported that the June workshop will focus on the Grant Anticipation Revenue Vehicle (GARVEE) Program. Staff is drafting an agenda for the June 15 session.

Idaho Housing Finance Association's (IHFA) Connecting Idaho GARVEE Bonding Next Steps. IHFA President and Executive Director Gerald Hunter provided background information on IHFA. He believes the partnership that IHFA and ITD are establishing for the GARVEE Program is historical, and he is looking forward to this endeavor. He believes the next steps for the GARVEE Program include selecting members of the finance team, developing the financing agreement, drafting the agreement between ITD and FHWA, selecting the projects for 2006, and scheduling meetings with rating agencies. Mr. Hunter answered questions related to issuing bonds.

Chairman Winder thanked Mr. Hunter for the presentation. He also thanked Mr. Hunter for the extensive time and assistance he provided to ITD during the legislative session.

Member McClure made a motion, seconded by Member Blick, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Fifty-eighth Legislature of the State of Idaho passed Senate Bill ITB05-17 1183, which authorizes the Idaho Transportation Board to use federal transportation funds for the payment of principal, interest, and other financing costs incurred from bonds issued by the Idaho Housing Finance Association (IHFA); and

WHEREAS, the Governor signed into law Senate Bill 1183; and

WHEREAS, Senate Bill 1183 requires agreements to be entered into between the Board and IHFA to implement the provisions of the bill.

NOW THEREFORE BE IT RESOLVED, that the Board assigns to the Director the responsibility to develop all necessary agreements between the Idaho Transportation Department and IHFA and upon agreement of all parties to bring final recommendations to the Board for approval and designation of the authorized ITD signatories to the document.

Chairman Winder welcomed Senator Skip Brandt to the meeting, and thanked him for his legislative leadership and assistance with transportation issues.

District Facility Master Plan Study. ADA Simmons emphasized that no decisions have been made regarding ITD's facilities. Staff has been in the process of studying the facilities. Kathy Chase, Business and Support Manager, elaborated on the work that ITD, the Department of Administration - Division of Public Works, and ISP have undertaken to develop a District facility master plan. The study concluded that the District facilities are in substandard condition and need major renovation or replacement. District operations are currently conducted in an assortment of facilities; some of which have been in operation over 45 years. All facilities experience overcrowded conditions and an environment that is not conducive to a productive, collaborative working environment. Current building, health, and safety code requirements for upgrading existing facilities, and the extent of modifications necessitated by operations, eliminate the feasibility of upgrading these facilities. The Sandpoint residency is the highest priority. She stated that the Districts are being encouraged to dispose of surplus property to provide financial assistance for the facilities' plan.

Member McHugh asked if the money from the sale of surplus property stays within the District that sells the land, as that would be an incentive to dispose of property. Ms. Chase replied that the majority of property is purchased with State Highway Account funds, so when property is sold, that money is returned to the State Highway Account.

Member Miller asked for clarification on whether the Board was being asked to approve proceeding with remodeling or relocating facilities as recommended in the plan. ADA Simmons emphasized that the Board is being asked to accept the mater plan and provide concurrence for staff to proceed with the facilities plan. Specific facility projects will be presented to the Board for approval when the cost and fiscal year for each project has been determined.

Member Blick made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department, Department of Administration ITB05-18 - Division of Public Works, and Idaho State Police (ISP) have worked together to develop a District facility master plan study; and

WHEREAS, the study concludes that District facilities are in substandard condition and in need of major renovation or replacement.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board recognizes the importance of providing a safe working environment for employees that stimulates collaboration and effective decision making; and

BE IT FURTHER RESOLVED, that the Board approves the District Facility Master

Plan study and multi-year investment strategy to coincide with ISP strategy for replacing or renovating District office facilities.

Headquarters and District 3 Facility Project. Steve Spoor, Highway Equipment Superintendent, stated that in conjunction with the District facility master plan study, the administrative facility needs at Headquarters were also reviewed. Headquarters and District 3 operations are currently conducted in an amalgamation of facilities; some of which have been in operation over 45 years. All facilities experience overcrowded conditions and an environment that is not conducive to a productive, collaborative working environment. Current building, health, and safety code requirements for upgrading existing facilities and the extent of modifications necessitated by operations, eliminate the feasibility of upgrading these facilities.

Vice Chairman Combo made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department staff has begun assessing
ITB05-19 administrative facility needs for the Headquarters and District 3 facilities; and

WHEREAS, the assessment concludes that these facilities are in substandard condition and in need of major renovation or replacement; and

WHEREAS, both properties are not the most efficient and effective utilization of land and location.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board recognizes the importance of providing a safe working environment for employees that stimulates collaboration and effective decision making; and

BE IT FURTHER RESOLVED, that the Board directs staff to proceed with developing viable strategies for leveraging the assets of the Headquarters and District 3 facilities for further Board consideration.

Presentation – Adopt-A-Highway Groups of the Year. Member Sweeney presented awards to the Clearwater Chapter of American Bikers Aiming Toward Education and the Orofino Rotary Club for their participation in the Adopt-A-Highway Program. The groups have adopted US-12 from milepost 52 to 54 and SH-7 from milepost 50 to 53.3, respectively. Member Sweeney thanked the participants for the important service they are providing to the state.

ITD Merit Program. ADA Simmons summarized the Department's concerns with retention and recruitment of employees due to compensation issues. A team devised a strategy to address salary issues for FY05 through FY07. The focus is to move employees to the policy line.

Chairman Winder emphasized the need to adhere to legislation. He supports providing salary increases to employees within the restrictions that have been placed on state agencies. Member Sweeney expressed frustration that employees are leaving ITD to work for local governments. ADA Simmons concurred that local governments have more flexibility with salaries, so can offer more money to employees. The turnover rate of employees trained at ITD is a concern to management.

The Board was supportive of providing salary increases to employees. It asked to be kept informed of the activities of the Legislative Interim Committee established to study the Change in Employee Compensation and benefits system, and expressed a desire to work with legislators on this important issue.

Vice Chairman Combo made a motion to add language to the proposed resolution. Member McHugh seconded the motion and it passed unopposed. (The additional language is the last paragraph of the following resolution.)

Vice Chairman Combo made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, House Bill 395 states “the Governor’s report directs state agencies to ITB05-20 manage their personnel cost budget to ensure that salary increases are provided in a manner that best meets the needs of their agency within the resources provided to them”; and

WHEREAS, the Idaho Transportation Board and the Idaho Transportation Department Executive Team recognize employees of the Department as invaluable assets; and

WHEREAS, the Department is continuing to lose employees to local governments and the private sector due to lack of adequate compensation; and

WHEREAS, the Department has invested significant experience, training, and dollars in the employees who are leaving; and

WHEREAS, 43% of the professionals that left the Department for preventable reasons in the last five years had over 5 years experience and 48% of all employees have left for better opportunities; and

WHEREAS, the Department continues to have recruitment difficulties in a variety of job classes; and

WHEREAS, the Department is hiring an average of 13% above the entry pay rate to attract applicants; and

WHEREAS, it takes an average of 19 years to reach policy point; and

WHEREAS, ITD's average compa-ratio (position in range) in FY01 was 104% and in FY04 92%; and

WHEREAS, the Department has limited resources to address retention issues; and

WHEREAS, employees holding second jobs has increased 9% in the last five months; and

WHEREAS, turnover is steadily climbing from a low of 2.82% in FY02 to 3.8% in FY04; and

WHEREAS, the Division of Human Resources (DHR) has directed state agencies to submit Department salary administrative plans to it.

NOW THEREFORE BE IT RESOLVED, that the Board adopts a pay plan for employees for the Department to implement in FY05 to FY07 and directs ITD management to implement this plan subject to review and approval by the Division of Financial Management (DFM) and DHR; and

BE IT FURTHER RESOLVED, that the Department develop a budget request for FY07 that includes market equity adjustments within the Department and ensures that compensation dollars are available to address retention difficulties; and

BE IT FURTHER RESOLVED, that it is anticipated that at any DFM and DHR inquiries, and legislative committee hearings, the Board Chairman, as appropriate, supported by other Board members present, will express the Board's concerns on the need for adequate compensation for our employees.

Legislative Processes. Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided a detailed summary of the 2005 legislative session, including the status of the Department's rules. She elaborated on the Department's various advisory boards and committees and the need for these groups to work closely with staff on legislative proposals.

Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to

approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board approves the Idaho Transportation
ITB05-21 Department's legislative agenda for submission to the Governor's
Office for the Governor's approval annually; and

WHEREAS, the legislative policy initiative process is an integral part of how the
Board administers its statutory responsibilities and serves the people of the state of
Idaho; and

WHEREAS, the Board is advised by the professional staff of the Department, and by
industry leaders through the various boards and committees established in statute, by
policy, and by agreement; and

WHEREAS, the Idaho House of Representatives and Idaho Senate leadership have
specifically expressed the expectation that the Department accurately present
information regarding proposed legislative actions as they affect transportation in
Idaho; and

WHEREAS, the Department is often asked to support or oppose legislation brought
forward by other state agencies, industry groups, individuals, or other organizations.

NOW THEREFORE BE IT RESOLVED, that the Board will approve the annual
legislative agenda for the Department at its August Board meeting; and

BE IT FURTHER RESOLVED, that the Department shall solicit input from other state
agencies, industry groups, individuals, or other organizations as part of the legislative
initiative process; and

BE IT FURTHER RESOLVED, that the Board and/or Department advisory boards
and commissions shall seek involvement of Department staff and management as
early as possible in development of transportation related legislation in order to
determine possible impacts on Department operations and/or budget; and

BE IT FURTHER RESOLVED, that external entities that advise the Board and/or
Department but do not report to them are encouraged to seek involvement of
Department staff and management as early as possible in development of
transportation related legislation in order to determine possible impacts on
Department operations and/or budget; and

BE IT FURTHER RESOLVED, that requests for Board support of proposed

legislation from other state agencies, industry groups, individuals, or other organizations should be submitted for consideration to the Board at one meeting but not approved until the subsequent meeting in order to give Department staff the opportunity to review potential impacts on the Department and/or the Board; and

BE IT FURTHER RESOLVED, that during the legislative session, the Board delegates to the Director the authority to take a position of opposition or support to proposed legislative actions, but reserves the right to review such positions as necessary.

FY07 Budget Policy Direction. BPIRM Pipal outlined the policy direction for developing the FY07 budget. The proposal includes an estimated 3% for change in employee compensation; no general inflation increase; \$10.9 million to replace equipment; and \$1.4 million for fuel costs. Other external non-standard adjustments are unknown at this time.

End of Year Changes of Projects to FY05 of the State Construction Program. Manager, Transportation Investments (MTI) Dave Amick presented the status of the FY05 State Highway Development Program. A list of anticipated cost changes to FY05 and earlier State projects and a list of FY05 projects identified for delay and removal were provided. Program changes identified by staff have resulted in approximately \$10.9 million available to advance projects.

Member Blick made a motion, seconded by Member Miller, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB05-22 to publish and accomplish a current, realistic, and fiscally constrained Highway Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal and state highway funding; and

WHEREAS, the Transportation Equity Act for the 21st Century (TEA-21) of 1998 requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Division of Highways has identified projects that can be made ready for advertisement in FY05 of the State Highway Development Program to utilize \$10.9 million in available funding.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the Deputy Director to add or advance projects into FY05 of the State Highway Development

Program from the list of changes proposed in the “Proposed Advances/New Projects,” as shown as Exhibit 302, which is made a part hereof with like effect, as projects are made ready and funding becomes available in the current fiscal year; and

BE IT FURTHER RESOLVED, that staff is authorized to make the appropriate changes to the FY06-08 STIP in accordance with the provisions of TEA-21.

Project Cost Overruns and Underruns Via Administrative Policy 11-02 and Quarterly Balancing. MTI Amick explained the policy for handling project cost overruns and underruns. A goal of the policy is to assure that cost increases within a District are handled to the maximum extent possible within that District. Cost increases may be offset through tradeoffs of planned work, project length reduction, approved cost reduction measures, or by rescheduling other projects so that funding for projects in other Districts is unaffected. Some of the challenges of the policy include District reluctance to release funds for non-priority projects; minimal District initiative to keep projects under contract fully budgeted; and last quarter delivery defeats fiscal policy, increasing the role of program performance. Due to reorganization within the Department, the Deputy Director now has authority to cover minor cost increases to projects so that obligations made at Plans, Specifications, and Estimates occur without delay or further District action. In conclusion, MTI Amick reported that a task force has been established to review the programming policy. The goal is to have a recommendation for the Board’s consideration later this year.

Member McHugh thanked MTI Amick for the informative report.

Addition of Statewide Safety Initiative Projects to the FY05 Highway Development Program. Last month, the Board approved Surface Transportation Program – State funds of \$1.225 million in FY05 and \$20 million in FY06 for statewide safety initiatives. Director Ekern presented 16 projects that staff has identified as priorities to fund in this safety program.

Member McHugh commented on the importance of rumble strips. He supports funding additional rumble strip projects, as he believes those projects provide a significant safety feature.

Member McHugh made a motion, seconded by Vice Chairman Combo, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, it is in the public interest for the Idaho Transportation Department to
ITB05-23 accomplish a current, realistic, and fiscally constrained Highway
Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal and state appropriated highway funding; and

WHEREAS, the Transportation Equity Act for the 21st Century (TEA-21) of 1998 requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Budget Council forecasts increased funding over TEA-21 levels in the anticipated transportation reauthorization bill; and

WHEREAS, the Board is committed to maintaining a safe highway system; and

WHEREAS, \$1,225,000 in FY05 and \$20,000,000 in FY06 of the forecasted increase was set-aside for safety initiatives to be specified by the Traffic Section; and

WHEREAS, the Traffic Section has now identified specific safety initiatives to utilize these set-asides.

NOW THEREFORE BE IT RESOLVED, that the Board approves the addition of the following projects:

1. Statewide Road Weather Information Systems
2. Regional Operations Center
3. Intelligent Transportation System (ITS) Strategic Plan Update
4. ITS Incident Management Plans
5. ITS Maintenance
6. ITS Rest Area Traveler Information
7. ITS Control Software Development
8. I-90 ITS Corridor Study
9. I-84 ITS Boise to Mountain Home Dynamic Message Signs
10. FY06 ITS Traffic Management Center
11. Statewide Durable Pavement Markings
12. Statewide Rumble Strips
13. Statewide Sign Upgrades
14. Safe Routes to School
15. Statewide Work Zone Safety
16. Statewide Behavioral Safety

to FY06 of the approved FY05-09 and Preliminary Development Highway Development Program; and

BE IT FURTHER RESOLVED, that staff is authorized to modify the FY05 STIP to reflect these revisions, in accordance with the provisions of TEA-21.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(a), (b), and (f), Idaho Code. Member McHugh made a motion to meet in executive session at 12:10 PM to discuss personnel and legal issues. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

The discussion on pending litigation related to the US-95, Mica Bay project and an inverse condemnation case.

The general tenure of the personnel matters related to personnel changes.

The Board came out of executive session at 1:20 PM. No decisions were made.

Inverse Condemnation Case. Member McHugh made a motion, seconded by Vice Chairman Combo, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department has received an offer to
ITB05-24 settle the case of *Chinese Village, Inc. v. State of Idaho*, on project
#NH-IR-4114(077), key #4219, District 2.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board hereby approves a settlement in the amount of \$317,500 as just compensation for the taking and damages in the case. This amount is inclusive of all damages, cost, and fees and interest, and further includes authority to proceed with the acquisition of adjoining property to provide access to the referenced property.

Delegation – Lewis Clark Valley Metropolitan Planning Organization (LCVMPO). LCVMPO Director Steve Watson thanked the Board for its time. Joel Ristau, Chairman of the Policy Board, elaborated on the MPO's 20-year planning process. Public input is a key component of developing the plan, which should be completed next year. He stated that ITD staff has been very helpful with the planning process. He thanked the Board and staff for their assistance. Mr. Watson concurred that the two entities have established an excellent relationship.

Bob Tippet, Executive Director of Valley Vision, summarized the area's efforts to enhance and promote commercial air service at the Lewiston airport. Commercial air service was increased through a grant, and a marketing plan has been implemented. Enhanced service is an economic benefit, particularly in the recruitment of businesses.

Chairman Winder thanked the LCVMPO officials for the report and for their continued efforts in establishing the MPO. Chairman Winder also welcomed Representative Mike Mitchell to the meeting and thanked him for his assistance with transportation issues.

Presentation – Community Transportation Enhancement (CTE) Program. Dave Stephenson, Project Coordinator, Department of Lands, reported on the CTE Program. This Program was established within the federal Enhancement Program to enhance transportation corridors in communities through landscaping. He mentioned some projects that have been completed in the Program and projects that will be done this year. Mr. Stephenson emphasized the continued popularity of this program and requested increasing the funding level from \$100,000 annually to \$200,000. The Department of Lands is also requesting the allowance of 10% of the funds to be used for administrative costs.

Chairman Winder thanked Mr. Stephenson for the update on the CTE Program and for his continued efforts on this important project.

Enhancement Advisory Committee (EAC) Prioritized List of Enhancement Projects.

Transportation Planner Phil Choate presented the recommended projects for the FY08 Enhancement Program. The 58 project applications, totaling \$19.6 million, were reviewed and prioritized for funding by the EAC. In accordance with guidelines established by the Board, funding for the projects is approximately 16% for historic enhancements, 20% for scenic enhancements, and 64% for bicycle and pedestrian enhancements. The projects will be included in the draft STIP, which will be available for public review and comment in July, and then the final STIP will be presented to the Board in September for approval. He emphasized that the Department receives more requests for funding than funds are available.

In response to Member McHugh's question, Intermodal Planning Manager (IPM) Pat Raino responded that funding for the Enhancement Program is 10% of Surface Transportation Program funds. The projected funding levels are based on estimates of the reauthorization of TEA-21. Discussion followed on the Department of Lands' request to use Enhancement Funds for administrative purposes. It was noted that no decision was required today. The EAC recommendations, which included increasing the CTE Program to \$200,000 and allowing the Department of Lands to use 10% of the Enhancement funds for administrative purposes, were presented for information at this time.

Chairman Winder thanked Mr. Choate for presenting the recommended Enhancement projects.

FY07-08 Congestion Mitigation/Air Quality (CMAQ) Recommendations by Technical Review Committee. Mr. Choate reported that 32 applications were received for CMAQ funding for FY07 and FY08. Per Board Policy, a range of \$2 to \$4 million has been established annually to fund CMAQ projects based on cost-effectiveness and air quality benefits of the proposed projects. The Committee identified 26 projects for funding. These projects will be included in the draft STIP as recommended for funding, while the remaining projects will appear in the draft STIP as "requested, but funding not available". He added that the sponsors have been notified of their

project's recommendation status.

Map of Roadside Rest Area Facilities. Roadside Program Administrator Cathy Ford provided an update on the rest area facilities and presented the 2005 rest area planning map.

Member McClure made a motion, seconded by Vice Chairman Combo, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, Board Policy 05-14, Safety Rest Areas, requires the Chief Engineer ITB05-25 to prepare and submit annually an updated rest area planning map and brief status report to the Idaho Transportation Board for review and approval; and

WHEREAS, additional and improved roadside rest areas are needed on the State Highway System to provide motorist convenience and safety; and

WHEREAS, the cost of constructing and operating rest areas is significant while limited funding is available for new rest areas; and

WHEREAS, opportunities are arising for joint development and operation of rest areas with other agencies that could reduce the cost impact of new rest areas on highway funding; and

WHEREAS, tourist and traveler information is an integral function of ITD rest areas; in particular those rest areas with visitor information centers.

NOW THEREFORE BE IT RESOLVED, that the Board approves the rest area status report and the updated rest area planning map dated May 1, 2005, as shown as Exhibit 303, which is made a part hereof with like effect; and

BE IT FURTHER RESOLVED, that Department staff shall actively pursue partnering when opportunities allow with other agencies in the development and implementation of new rest areas identified on the rest area planning map with costs shared on an equitable, if not equal, basis between all partners and that such partnering projects should be presented to the Board annually for consideration along with proposals for all other capital improvement projects; and

BE IT FURTHER RESOLVED, that Department staff is directed to work with federal, state, and local tourist and economic development agencies to provide information in Department rest areas that will complement motorist services, conveniences, and safety.

Member Blick asked for a more-detailed schedule of the rest area projects and for clarification on projects that have been completed. Staff will provide that information at a later date.

Contract Awards. CE Hutchinson said the low bid on key #9190, STP-3823(102), Banks to Lowman, Rockfall Mitigation, Boise County, District 3, was more than ten percent over the engineer's estimate, requiring justification. Bids most significantly overran the engineer's estimate for mobilization, specialty rock scaling personnel, and moving and resetting concrete guardrail. Rockfall mitigation is specialty work requiring qualified contractors with significant experience. There are only two known contractors qualified to perform this work within the Pacific Northwest, and both bid on the project. Due to limited potential for savings from readvertising the project and the highly specialized work, staff recommends awarding the contract. The additional funding needed to award the contract has been identified from previous STP-Local projects administered by the Local Highway Technical Assistance Council.

Member McHugh made a motion to award the contract on key #9190 to the low bidder: Western Construction, Inc., Boise, Idaho - \$530,000. Vice Chairman Combo seconded the motion and it passed unopposed.

The low bid on key #8298 and #8403, ST-3110(635) and ST-3882(602) – US-95, Cambridge North to Weiser River Bridge and SH-71, Cambridge to Junction US-95, Washington County, District 3, was more than ten percent over the engineer's estimate, requiring justification. CE Hutchinson said analysis of the engineer's estimate indicated errors in the following items: 615-475A, COMBCURB and GUTTER TY C2; S105-05A, PAV MARK TAPE; and 308-005B, CRABS, Class II. Staff does not believe significant savings would be realized if the project is readvertised. A readvertisement could not be completed in time for the work to be completed this season and delaying the project would incur inflationary costs and additional costs for maintaining the deteriorated roadway for another season. Staff believes it is urgent to complete this project and recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #8298 and #8403 to the low bidder: Idaho Sand & Gravel Company Inc., Nampa, Idaho - \$1,589,384.60. Member McClure seconded the motion and it passed unopposed.

Vice Chairman Combo made a motion to award the contract on key #8809 and #7728, ST-2741 (607) and ST-2846(613) – SH-50, Red Cap to Junction I-84 Westbound On/Off Ramps and US-30, 3200 East to Red Cap Corner, Twin Falls and Jerome Counties, District 4. Low bidder: H-K Contractors Inc., Idaho Falls, Idaho - \$3,880,150.51. Member Blick seconded the motion and it passed unanimously.

The low bid on key #8710, STP-5110(146) – US-95, Bonners Ferry Pedestrian Underpass,

Boundary County, District 1, was more than ten percent over the engineer's estimate, requiring justification, according to CE Hutchinson. Because the sponsor, the City of Bonners Ferry, believes this project will enhance safety and it will provide the additional funds, it recommends awarding the contract. The District staff concurs with the recommendation.

Member McClure made a motion to award the contract on key #8710 to the low bidder: Westway Construction Company, Inc., Airway Heights, Washington - \$574,013.20. Member Blick seconded the motion and it passed unopposed.

Delegation – Nez Perce Tribal Executive Council. Sam Penney, Vice Chairman of the Nez Perce Tribal Executive Committee, provided background on the Tribe. He summarized the memorandum of understanding (MOU) that the Tribe and District 2 Office executed for consultation and coordination on transportation projects within the reservation. He expressed appreciation for the excellent partnership with ITD and for Member Sweeney's participation at the quarterly meetings the two entities conduct. He is pleased that the MOU has facilitated communication, which leads to informed decision making.

Member Sweeney concurred that the MOU is very beneficial and that the two parties have established a good partnership. Chairman Winder thanked Mr. Penney for his comments, for the assistance he has provided ITD, and for his leadership.

US-12, Westbound Passing Lane Project, District 2. DE Carpenter reported on the US-12 westbound passing lane project that was terminated for convenience by the state. After the contractor began construction, design errors were discovered, which led to the termination of the contract. The design consultant has accepted responsibility and is working with the District to correct the problems.

Chairman Winder thanked DE Carpenter for the report.

Old/New Business. Several months ago, Vice Chairman Combo asked how the District targets for federal formula funding distribution would be impacted by the GARVEE Bond proposal. He believes this is an important issue that the Board should discuss and provide direction on. Director Ekern said that topic will be a discussion item at the June Board workshop.

Vice Chairman Combo and Member Sweeney summarized yesterday's discussion with the USFS officials and outfitters during the rafting trip. They believe it was a beneficial meeting and were pleased with the relationship that the District has established with the USFS.

WHEREUPON the meeting recessed at 4:35 PM.

May 20, 2005

The Board reconvened at 7:30 AM on Friday, May 20, 2005, in Lewiston, Idaho. All members were present.

The Board departed Lewiston north on US-95. District personnel provided information on various projects as the group traveled to Potlatch.

Potlatch Mayor Dave Brown welcomed the Board to Potlatch and thanked it for visiting the community. Carol Haddock, project manager, provided historical information on the city. She thanked the Board for providing Enhancement Program funds for the restoration of an old railroad administration building, which is now the Potlatch City Hall. The City provided the match for the project and community members also provided donations for the restored building. Mayor Brown added that in addition to the Enhancement funds, ITD also constructed a sidewalk. He also thanked the Board and District staff for the assistance they have provided to the City.

The Board members visited with city officials and toured the restored building.

The tour continued south on US-95 to Moscow, where the Board had an informal lunch with Moscow city officials. A presentation on the US-95, Genesee to Moscow project, was given by District staff.

Moscow Mayor Marshall Comstock thanked the Board for all of the projects it has completed in the area. He said the District staff is very helpful and he appreciates the assistance it provides. Mayor Comstock also thanked the Board members and Director Ekern for their efforts on the GARVEE bond legislation.

Chairman Winder believes the Department can complete the Connecting Idaho vision, although he concurred that more time than initially anticipated may be needed. He expressed appreciation for all of the support ITD received on the GARVEE bond proposal, and mentioned the Moscow Chamber of Commerce's support. He also expressed appreciation for the good working relationship the City and District have established, and he encouraged Mayor Comstock to continue working with Member Sweeney and DE Carpenter on transportation issues. In conclusion, he thanked the various city officials for attending the luncheon.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting and tour of District 2 officially adjourned at 12:45 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
June 16, 2005
Idaho Falls, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

May 3, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 10:10 AM on Tuesday, May 3, 2005. The following principals were present at the Idaho Transportation Department in Boise:

Monte C. McClure, Member – District 3

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Steve Hutchinson, Chief Engineer

Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference:

Charles L. Winder, Chairman

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Gary Blick, Member – District 4

Neil Miller, Member – District 5

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Member McHugh made a motion to meet in executive session at 10:10 AM to discuss legal matters. Member Sweeney seconded the motion and it passed unanimously by individual roll call vote.

The general tenor of the legal items was pending litigation on Tribal fuel tax issues; the I-84/I-184, Wye Interchange project; and an access appeal on SH-44.

The Board came out of executive session at 10:45 AM. No decisions were made.

Member Blick made a motion to authorize a settlement agreement for the I-84/I-184, Wye Interchange project, with the Nelson McAlvain Joint Venture in the amount of \$500,000 plus additional costs for change orders. Member Miller seconded the motion and it passed 6-0 by individual roll call vote.

WHEREUPON the special session of the Transportation Board adjourned at 10:50 AM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
May 19, 2005
Lewiston, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

April 26, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 3:30 PM on Tuesday, April 26, 2005. The following principals were present at the Idaho Transportation Department in Boise:

Charles L. Winder, Chairman
Monte C. McClure, Member – District 3
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Steve Hutchinson, Chief Engineer

The following principals participated in the meeting via teleconference:

John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Neil Miller, Member – District 5
Karl Vogt, Deputy Attorney General

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 3:30 PM to discuss legal matters. Member McClure seconded the motion and it passed unanimously by individual roll call vote.

The general tenor of the legal item was pending litigation on the I-84/I-184, Wye Interchange project.

The Board came out of executive session at 3:50 PM. No decisions were made.

Member Sweeney made a motion to authorize a settlement agreement with Inland Crane in the amount of \$500,000 and with C. C. Meyers for \$165,000. Member McHugh seconded the motion and it passed 5-0 by individual roll call vote.

WHEREUPON the special session of the Transportation Board adjourned at 3:55 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved

May 19, 2005
Lewiston, Idaho

REGULAR MEETING AND DISTRICT FOUR TOUR
OF THE IDAHO TRANSPORTATION BOARD

April 21-22, 2005

The Idaho Transportation Board met at 8:45 AM, on Thursday, April 21, 2005, at the Idaho Transportation Department, District 4 Office, Shoshone, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

March 18, 2005 Regular Board Minutes, April 1, 2005 Special Board Minutes, and April 15, 2005 Special Board Minutes. Member Blick made a motion to approve the minutes of the regular Board meeting held on March 18, 2005 as corrected, and the minutes of the special Board meetings held on April 1, 2005 and April 15, 2005, as submitted. Member McHugh seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

May 18-20, 2005 – District 2
June 15-17, 2005 – District 6
July 21-22, 2005 – District 1

Consent Calendar. Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB05-13 approves modifying Rule 39.03.11, Governing Responsibility/Travel
Restrictions; the FY05 Intelligent Transportation System discretionary project; the
state institution road improvement funds annual allocation; additional professional
services, SR-3, District 1; and the request for additional consultant services, US-95,
Mann's Creek Curves, District 3; and has received and reviewed the new and
supplemental professional agreements report and the contract award information.

- 1) Modify Rule 39.03.11, Governing Responsibility/Travel Restrictions. This rule was rejected by the 2005 House and Senate Transportation Committees because of concerns that heavy commuter traffic restrictions could be too broadly applied to all state highways and interstates. The new proposed rule making focuses only on those urban areas that are in immediate need of high commuter traffic restrictions.
- 2) FY05, Intelligent Transportation System (ITS) Discretionary Project – Dynamic Message Signs and 511 Implementation. ITD was awarded an FY05 ITS earmark of approximately \$2.3 million. A 50% match of total project costs is required. The match will be provided from State funds made available by the recent delay of the SH-55, Banks Passing Lanes, Boise County, project, key #7051, and from advanced construction of FY06 STP – Safety Funds. Staff requested the addition of an ITS project to FY05 of the Other Federal Aid Program to implement 511 traveler information, deploy dynamic message signs statewide, and participate in the Northwest Passage Pooled Fund, which is an eight-state coalition established to develop methods and procedures for sharing traveler information among the coalition states.
- 3) State Institution Road Improvement Funds Annual Allocation. Per Board Policy, up to \$30,000 may be dispersed annually for road improvements in, through, and around the grounds of state institutions. As defined in a memorandum of understanding with the Department of Administration, Division of Public Works (DPW), DPW will solicit projects from state institutions and acquire the Governor's endorsement prior to authorization by the Board. DPW presented a request for an FY06 allocation of \$30,000 for the grounds of the Idaho Department of Fish and Game facility at Myrtle Beach near Lenore on US-12. The Governor has endorsed this project. Upon Board concurrence, DPW will receive the funds and administer or cause to be administered this roadway improvement project.
- 4) Additional Professional Services, SR-3, District 1. Staff requested approval to exceed the work task term agreement limit with Ruen-Yeager & Associates up to \$349,000 for the Meadowhurst Road to Goosehaven Road replacement project, key #8927, Benewah County. The unforeseeable right-of-way survey conditions at the site and extensive obliteration of monumentation along the dike and housing area created a need to extend the research and survey limits. The District determined that the existing surveying consultant should be retained to complete the remaining right-of-way work. This decision was based on the desire to retain essential project knowledge and continuity, and the potential for future efficiencies in product delivery and cost savings in project development.
- 5) Request for Additional Consultant Services, US-95, Mann's Creek Curves, Key #5133, District 3. The land surveying for this project, which is currently under construction, was performed by W&H Pacific under a term agreement. The work includes section breakdowns, retracement of existing alignment and right-of-way, retracement of affected ownerships, legal

descriptions for acquisition, right-of-way staking, and records of survey. The consultant also provided pre-bid construction staking under a separate term agreement. The total of the two agreements was \$248,240. The design of the project left irregular shaped areas. These areas would be hard to maintain, and adjacent land owners have expressed interest in them. Sale of these parcels will require surveying to determine and write legal descriptions and the amendment of the Records of Survey. Staff requested approval for W&H Pacific to perform the needed work because of its intimate knowledge of the project. This additional work is estimated to cost between \$25,000 and \$35,000 and would exceed the limit set by the Term Agreement.

6) New and Supplemental Professional Agreements Report. From March 1 through April 4, the Consultant Administration Unit processed \$2,746,077 in professional, supplemental, and term agreements.

7) Contract Award Information. Key #8830 and #8829 – SH-51, Milepost 84.6 to Junction SH-67, Near Mountain Home and Junction SH-67 to I-84 Business, Mountain Home, District 3. Low bidder: Idaho Sand & Gravel Company, Inc. - \$1,594,999.

Key #8271 and #8665 – US-26, INEEL Junction to Blackfoot and Lava Beds to Bonneville County Line, District 5. Low bidder: HK Contractors, Inc. - \$1,215,496.

Key #8584 – SH-33, Teton East and West, District 6. Low bidder: Zollinger Construction, Inc. - \$1,440,603.

Key #8437 and #8657 – I-84, FY05 District 3 Pavement Striping and FY05 District 4 Pavement Striping. Low bidder: Interstate Barricades - \$339,502.

Key #8997 – I-86, Rockland Interchange to Igo Interchange, Power County, District 5. Low bidder: HK Contractors, Inc. - \$639,907.

Key #8732 – Meadow Creek Road Surfacing, Boundary County, District 1. Low bidder: Woods Crushing & Hauling, Inc. - \$245,247.

Key #9396 – FY05 District 6 Durable Pavement Markings. Low bidder: Apply A Line Inc. - \$127,845.

Key #9363 and #9122 – I-15, Fort Hall Interchange, Bannock County and Portneuf Interchange, Bannock County, District 5. Low bidder: Skyview Electric, Inc. - \$237,124.

February 2005 Financial Statement Analysis. The total federal aid received was \$17.5 million or 11% ahead of projections through February. Revenue from the Highway Distribution Account

was \$1.5 million, or 1.3%, ahead of the forecast. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 4% and the state program was 20% less than projected.

Aviation fuel tax revenue for February was ahead of projections by 10%. Miscellaneous revenue was right on the forecasted amount year-to-date. Overall expenditures were less than last year, due to fewer Trustee and Benefit payments. The Aircraft Operations Fund was behind projections by \$11,500 or 7%. Expenditures exceeded the same time period last year by approximately 41% due to increased use of charter service, training for pilots, fuel, and aircraft repair and maintenance.

Member McHugh asked for clarification on the Division of Aeronautics' financial situation. He noted the revenue from the Aircraft Operations Fund was less than anticipated; however, the Aeronautics' financial chart included in the statement indicated that the FY05 revenue exceeded expenditures. Via teleconference, Controller Dave Tolman explained that the chart included all Aeronautics' funds, not just the Aircraft Pool. Member Sweeney added that the Aircraft Operations Fund compares the FY05 data with FY04. Additionally, expenses are higher due to an increase in the use of charter flights.

Member McHugh made a motion to accept the February FY05 financial statement analysis. Member Sweeney seconded the motion and it passed unopposed.

Board Items. Chairman Winder was pleased to report that the legislature approved the Grant Anticipation Revenue Vehicle (GARVEE) bonding legislation with amendments. All of the Board members participated in various ceremonial bill signings throughout the state. As part of one of the bill signings in District 2, a ground-breaking ceremony was conducted for the US-95, Top of Lewiston Hill to Genesee project. Chairman Winder thanked staff for combining the two events, as the US-95 project will be a major improvement to that route. He also thanked staff for its extensive efforts on the GARVEE legislation.

Chairman Winder also mentioned a recent meeting he attended with a CANAMEX representative from Arizona. Efforts are continuing on the major I-15 trade corridor.

A constituent contacted Member Blick recently inquiring about the use of state gravel sources versus private sources. Member Blick asked staff for a future report on how it determines the source to be used on construction projects. He also asked that the constituent be notified when that item is on the Board's agenda so she may attend the meeting.

Member McHugh asked for future presentations on the Department's material source funds, including royalties received, and also on the policy regarding project cost overruns and

underruns. It is his understanding that cost savings are returned to Headquarters; not kept in the District. However, when projects are more than ten percent over the engineer's estimate, the District must identify the source of the additional funds.

Department Activities. Director Ekern reported that work is continuing on the strategic initiatives he summarized in February. He anticipates seeking Board concurrence on those at the May meeting.

The Forum on Transportation Investments will be meeting on April 28 in Pocatello. Director Ekern said the focus of the meeting will be the transportation system's needs and improvements, both ongoing and projected through 2035.

Director Ekern reported that he will be attending several American Association of State Highway and Transportation Officials-related meetings in May and June. He participated in the recent Project Development Conference, hosted by ITD. He commended staff for organizing a valuable conference, and noted the excellent partnership ITD has developed with the private sector. Director Ekern also mentioned he met recently with Senator Corder on a variety of topics.

In conclusion, Director Ekern praised District 3 staff for its efforts to remove two abandoned vehicles from the Payette River. The Department worked cooperatively with several other entities on this important venture.

Deputy Director (DDIR) Charles Rountree revisited the issue of locals requesting ITD support for congressional discretionary funding. He requested guidance on developing a policy to address these requests. Only a few local entities request ITD support; therefore, the Department does not know how many – nor which projects – are submitted to Congress for funding. DDIR Rountree said that the Department continues to work with Idaho's Congressional Delegation on projects, and requests that they alert ITD when requests for projects on the state highway system are submitted by others.

Chairman Winder concurred with the need for a consistent policy. He questioned not endorsing any local requests. ITD's endorsement of discretionary projects has not helped locals secure the funds, according to DDIR Rountree, and he expressed concern that the Department's support can be misunderstood as an expectation that ITD will provide assistance for the project. The Board emphasized the need to educate the local entities on the process and requirements of the discretionary funds, including the need to provide match. DDIR Rountree will continue drafting a policy and will bring a recommendation to the Board at a future meeting.

FY06 Salaries. DDIR Rountree reported that the Executive Team has been reviewing various issues related to employee compensation. The focus at this time is to move employees to the

policy line in a timely manner. Staff is considering providing raises to employees that have been in their current position ten years or longer to move them to the policy line. The second emphasis would be to move those employees to the policy line that have been in their current position between five and ten years. Staff will continue to refine the proposal and bring a recommendation to the Board soon.

The Board expressed support to provide raises as feasible. Chairman Winder encouraged the Board to take a leadership role on this important issue, such as testifying on behalf of employee salary issues during legislative interim committee meetings and discussing salary concerns with legislators.

Delegation – Jerome School District. Richard Ames, School District Maintenance Supervisor, reported that the School District developed a long-term plan several years ago. The site plan identified the need for a bigger parking lot with access to SH-25, as well as other amenities such as a bicycle/pedestrian path. A consultant was hired to address the projected traffic and related issues. A traffic signal is not warranted at this time. He added that an access on SH-25 would help alleviate congestion, and that the School District has been working with the City of Jerome and the ITD District 4 Office on this proposal.

Member Blick expressed support for the partnership with the Jerome School District. DE Rigby commented that the School District has been working with staff on its plans. He appreciates the School District's coordination, and supports the proposed access. A SH-25 access project will be included in the next update of the Statewide Transportation Improvement Program for the Board's consideration.

In response to Member Miller's question, Business Manager Mike Gibson replied that the School District will be constructing sidewalks as part of its plans. He emphasized the importance of sidewalks for safety concerns and stated that the School District has been working with the local highway district on that issue. City of Jerome Engineer Scott Bybee added that the City of Jerome will be making transportation improvements in the vicinity of the school. The City is actively addressing its transportation needs.

In response to Vice Chairman Combo's question, DE Rigby stated that the District is coordinating the project to coincide, time-wise, with the school's and city's projects. Although a traffic signal is not warranted at this time, Chairman Winder suggested the District reconsider installing a signal at this time as a safety precaution.

Chairman Winder thanked the delegation for the presentation and for its coordination with the District Office.

Presentation – Adopt-A-Highway Group of the Year. Member Blick congratulated the National Honor Society of Filer High School for being selected the 2004 District 4 Adopt-A-Highway Group of the Year. He thanked the group for its continued dedication to pick up litter on US-30 from milepost 206.5 to 209 and for the important service it is providing to the state.

Legislative Processes. Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided a brief overview on the 2005 legislative session. Vice Chairman Combo requested a more detailed summary of legislative issues, including the status of the rules the Department submitted.

BPIRM Pipal expressed concern with issues that arose during the past legislative session, including misunderstandings related to ITD's position on proposed legislation. She recommended a mechanism to clarify the legislative process, particularly legislation submitted by advisory boards and committees. Director Ekern expressed a desire to have other groups present their legislative proposals to the Board for informational purposes and/or endorsement.

Discussion followed on the specific groups that would be asked to adhere to the suggested process. Although there was general support for the intent of the legislative process, the Board asked staff to resubmit this item next month with clarification on the advisory boards and committees that the process would apply to.

Contract Awards. Acting Chief Engineer (ACE) Steve Hutchinson said the low bid on key #7708, STP-7446(100), Intersection Sunnyside Road and Hitt Road, Ammon, Bonneville County, District 6, was more than ten percent over the engineer's estimate, requiring justification. Ten bid items accounted for the majority of difference between the engineer's estimate and the low bid. The engineer's estimate failed to adequately predict costs associated with ASR concerns for all bid items associated with concrete. Additionally, the low bid costs associated with roadway excavation and crushed aggregate base are over the engineer's estimate, but upon review are within reason. Recent increases in fuel prices have also escalated costs associated with subgrade separation geotextile and storm sewer pipe. The difference on the two bids received on this project was approximately 5%. Upon review, the project sponsor, Bonneville County, recommends awarding the contract. ITD staff concurs.

Vice Chairman Combo made a motion to award the contract on key #7708 to the low bidder: HK Contractors, Inc., Idaho Falls, Idaho - \$1,536,498.43. Member McClure seconded the motion and it passed unopposed.

ACE Hutchinson reported that the low bid on key #7816, NH-6470(121), US-20, Holbrook Road, Jefferson County, District 6, was more than ten percent over the engineer's estimate, requiring justification. The difference in the low bid and the engineer's estimate is with the Excavation,

Borrow, and Mobilization items. The apparent low bidder indicated it rolled the cost of plantmix into mobilization. The District did not take into account the small quantity of excavation, borrow and plantmix; and the price of fuel has increased since the bid was prepared. Given the difference between the apparent low bid and the second lowest bid, staff recommends accepting the apparent low bid.

Member Blick made a motion to award the contract on key #7816 to the low bidder: HK Contractors, Inc., Idaho Falls, Idaho - \$456,164.97. Vice Chairman Combo seconded the motion and it passed unanimously.

The low bid on key #7127, IM-90-1(198)12, Government Way Underpass, Coeur d'Alene, Kootenai County, District 1, was more than ten percent over the engineer's estimate, requiring justification, according to ACE Hutchinson. The sources of the Engineer's Estimate were the Average Unit Bid Price Report and ITD's Bridge Section's Average Unit Prices for the bridge items. The major difference between the engineer's estimate and the low bid is in item 504-005A, Steel Bridge. A quote from a local steel supplier revealed that steel prices have increased 61% in the past 18 months, which was not accounted for in the engineer's estimate. The District recommends awarding the contract.

Vice Chairman Combo made a motion to award the contract on key #7127 to the low bidder: Morgen & Oswood Construction Company, Inc., Great Falls, Montana - \$2,686,550.42. Member Miller seconded the motion and it passed unanimously.

Member McClure made a motion to award the contract on key #9004, IM-15-3(110)150, I-15, Hamer to Dubois, Northbound, Jefferson and Clark Counties, District 6, to the low bidder: Western Construction, Inc., Boise, Idaho - \$5,203,742.63. Member Sweeney seconded the motion and it passed unopposed.

FY05 Forest Highway Program Update. Dave Amick, Manager, Transportation Investments (MTI), presented the FY05-10 Forest Highway Program as recommended by the Tri-Agency Group, comprised of ITD, the U.S. Forest Service, and the Western Federal Lands Highways Division of FHWA. Total project funding is estimated at \$30,045,809 in FY05.

Member Sweeney made a motion, seconded by Member Miller and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB05-14 to publish and accomplish a current, realistic, and fiscally constrained Highway Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all

available federal and state highway funding; and

WHEREAS, the 1998 Transportation Equity Act for the 21st Century (TEA-21) requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the members of the Tri-Agency Group made up of the Idaho Transportation Department, the U.S. Forest Service, and the Western Federal Lands Highways Division of FHWA work cooperatively to select projects for the Federal Forest Highway Program; and

WHEREAS, the Acting Chief Engineer has represented the Department's interests in funding projects under the Forest Highway Program as a member of the Tri-Agency Group; and

WHEREAS, the Forest Highway Program anticipates receiving an estimated \$30,045,809 in obligation authority in FY05.

NOW THEREFORE BE IT RESOLVED, that the Board concurs with the funding and project changes to the FY05-10 Forest Highway Program as adopted by the Tri-Agency Group, as shown as Exhibit 300, which is made a part hereof with like effect, and authorizes staff to make the appropriate changes to the FY05-07 STIP in accordance with the provisions of the 1998 TEA-21.

Highway Development Program Supplement 05-1. MTI Amick outlined the objectives of the Highway Development Program Supplement: to report the status of FY05 estimated federal apportionments and estimated obligation authority using FHWA projected amounts for TEA-21; report the status of funding for the State Highway Construction Program; modify and rebalance the Program to include project changes, advances, delays, and removals since the approval of the Program in September 2004; incorporate changes made at the staff statewide balancing meeting in March; and update the cost of FY05 federal and state projects to current costs.

Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, it is in the public's interest for the Idaho Transportation Department ITB05-15 to publish and accomplish a current, realistic, and fiscally constrained Highway Development Program; and

WHEREAS, it is the intent of the Idaho Transportation Board to effectively utilize all available federal and state highway funding; and

WHEREAS, the Transportation Equity Act for the 21st Century (TEA-21) requires that a priority list of projects covering a three-year period be provided in a Statewide Transportation Improvement Program (STIP); and

WHEREAS, the Department is estimating an overall obligation authority limit of \$244.7 million; and

WHEREAS, the changes in Supplement 05-1 to the FY05-09 Highway Development Program will fully utilize the estimated FY05 Federal Highway formula funding obligation authority of \$207.2 million and the Minimum Guarantee obligation authority of \$25.8 million.

NOW THEREFORE BE IT RESOLVED, that the Board approves the funding and project changes to the FY05-09 Highway Development Program itemized and explained in the Highway Development Program Supplement 05-1, which is on file in the Office of Transportation Investments, and authorizes staff to make the appropriate changes to the FY05-09 STIP in accordance with the provisions of TEA-21.

The Board enjoyed an informal luncheon with the District 4 employees and appreciated their hospitality.

Idaho Traveler Opinion and Perception Survey. Intermodal Planning Manager Pat Raino said FHWA commissioned a national survey, the Traveler's Opinion and Perception Survey, to understand the needs and expectations of users of the nation's comprehensive transportation system and the extent to which the existing system meets those needs. As part of the national process, states had the opportunity to purchase their own state-specific survey for internal review and analysis. Jennifer Dorothea, Project Manager, Northwest Research Group, Inc., elaborated on the data from Idaho's survey. Nearly all Idahoans have access to a car and use it almost daily. On average, Idaho travelers drive 12,596 miles annually, which is slightly less than the national average. The local transportation system is mostly used for commute trips. Generally, Idahoans are satisfied with the ability to travel using the region's transportation system and slightly more satisfied with travel outside their local region.

Regarding the quality of the transportation system, Ms. Dorothea reported that the state's residents are generally neutral to somewhat satisfied with the overall quality of the transportation system in their region. Roadway safety is the most important system characteristic followed by pedestrian safety and mobility and bridge conditions. The system got the lowest grades for planning, pavement conditions, and reducing delays from road work. Survey respondents were

most likely to support projects that add capacity.

Residents believe an average job is being done to serve those persons who may have special requirements for transportation, such as school children, the elderly, and persons with disabilities. Idahoans see a greater need for transportation alternatives to serve those without cars than as a means to reduce congestion. Respondents also showed a preference for building transportation systems to accommodate growth as opposed to increasing density. In conclusion, Ms. Dorothea stated that a final summary comparing Idaho's data to the nation and to peer states will be completed in several months.

Chairman Winder thanked Ms. Dorothea for the informative report.

Connecting Idaho – GARVEE Bonding Program Implementation Recommendations. Director Ekern reported that staff has been reviewing steps to implement the GARVEE Bonding Program, such as incorporating the projects into the STIP process. A key focus of the June workshop will be the GARVEE Bonding Program.

BPIRM Pipal summarized the legislation. The original bill was amended to include a cap on the cumulative debt service allowed: 20% of federal funds for the first four years and then 30% beginning in FY11. Exceeding the 30% cap must be approved by both legislative chambers and the governor. Also, language was added authorizing the Board, if it deems projects ineligible, to replace those projects with eligible projects. An annual report must be presented to the legislature on this program.

DDIR Rountree reviewed the anticipated timeline. The Board will approve the STIP, which will include projects to be funded with GARVEE bonds, in September. In January, the Governor will propose the FY07 budget. The Joint Finance and Appropriations Committee will review the Department's budget, which will include the FY07 project list, in February. The legislature will authorize bonding authority and the FY07 project list in March. The Board and Idaho Housing and Finance Association will issue project bonds from March through June 2006 and an annual report will be published at the end of June.

Funding assumptions were presented by Senior Budget Analyst Joel Drake, and MTI Amick provided federal highway apportionment estimates. ACE Hutchinson has been working closely with the Districts on the schedule for the GARVEE projects and provided an estimate on when projects may be funded.

In conclusion, Director Ekern mentioned several critical success factors. The GARVEE Bonding Program must be self contained and self sustaining. It must limit impact on the existing staff. The Program needs flexibility in rearranging and managing projects. A good understanding of

financial strategies is needed. The District Engineers must be engaged in decision-making. The Department must be skillful in program delivery strategies, and the Program must be on time and in budget.

Delegation – Jak Daniels. Weiser resident Jak Daniels expressed appreciation to the Board for its service to the state. He believes US-95 is a very important route and encouraged the Board to address safety concerns on that highway, particularly in the Cambridge and Council areas. He believes existing corridors should be improved before new alignments, such as the proposed extension of SH-16 north to Mesa, are constructed, and that extensive studies should be done on projects, particularly those proposed in the GARVEE Bonding Program. He also believes a Boise bypass is needed to remove trucks from I-84 to relieve congestion and address air quality issues. In conclusion, Mr. Daniels thanked the Board members for their time.

Chairman Winder thanked Mr. Daniels for his comments, and emphasized that all of the projects funded with GARVEE bonds will follow the STIP requirements, such as environmental studies and public involvement.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(a), (b), and (f), Idaho Code. Member Sweeney made a motion to meet in executive session at 3:45 PM to discuss personnel and legal issues. Member McHugh seconded the motion and it passed 6-0 by individual roll call vote.

The discussion on pending litigation related to the relocation of a utility; a condemnation case; the I-84/I-184, Wye Interchange and the US-95, Mica Bay projects; and an access issue.

The general tenure of the personnel matters related to a non-elective office and the filling of a non-elective office.

The Board came out of executive session at 5:05 PM. No decisions were made.

New Business. Director Ekern was pleased to announce the appointment of Steve Hutchinson to the Chief Engineer position. He thanked Mr. Hutchinson for serving as the Acting Chief Engineer since Jim Ross's retirement.

WHEREUPON the meeting recessed at 5:05 PM.

April 22, 2005

The Board reconvened at 7:30 AM on Friday, April 22, 2005, in Twin Falls, Idaho. All members

were present except Member Blick, who joined the group in Burley.

The Board traveled to Burley via I-84 east.

Breakfast Meeting. The Board met with area transportation committees at 8:30 AM in Burley. Milo Ross, Chairman of the Mini-Cassia Transportation Committee (MCTC), welcomed the Board to Burley and thanked it for its time. He thanked the Department for its continued assistance with improving the City of Rocks Backcountry Byway. He expressed appreciation for several completed projects and mentioned some concerns, such as development occurring along SH-25, causing safety concerns, and SH-27 in Paul where the highway is reduced from four lanes to two. MCTC Chairman Ross said visitors to the City of Rocks National Reserve continue to increase and that the tourism is good for the area and for the state. In conclusion, he expressed appreciation to Member Blick for his support and participation on the MCTC.

Aaron Wert, Chairman of the Greater Twin Falls Area Transportation Committee, thanked the Board for its assistance with the additional Snake River Crossing project in the Twin Falls area and for its continuing efforts to add the Wendell to Buhl route to the state highway system. He believes those projects will be beneficial to the economy and are key projects to connect communities in the area.

Senator Denton Darrington thanked Chairman Winder and Director Ekern for their efforts on the GARVEE Bonding legislation. He also expressed appreciation for the work being completed on the City of Rocks Backcountry Byway and encouraged the Board to add that route to the state highway system after the improvements have been completed. He also thanked the Department for plans to address problems with two canal bridges on SH-81.

City of Rocks Backcountry Byway Chairman Stan Lloyd thanked the Board for visiting Burley and its plans to visit the City of Rocks National Reserve. He provided historical facts on the area and summarized the efforts of the Backcountry Byway Committee. He thanked the Board for its efforts with transportation and its support of the City of Rocks.

City of Burley Administrator Mark Mitton informed the Board of the City's efforts to relocate its airport. Consultant Marty Gergen, Riedesel & Associates, elaborated on the relocation efforts. The preferred site has been identified. An environmental assessment will need to be completed, followed by acquisition of right-of-way and construction. Plans are to open the new facility north of I-84 in 2009.

Chairman Winder thanked the various delegations for meeting with the Board and for their remarks. He emphasized that local transportation committees provide a valuable service to the Department. He thanked Senator Darrington for his legislative service and the assistance he has

provided to ITD. He also mentioned that other area legislators were instrumental in passing the GARVEE Bonding legislation.

The Board traveled I-84 east and SH-77 south. Staff provided information on area projects, including the North Overland project in Burley and the SH-77, Albion Hill project.

Wallace Keck, Park Manager, City of Rocks National Reserve, provided information on the Reserve and the state's newest park, Castle Rock. At the Castle Rock visitor information center, Department of Parks and Recreation Director Robert Mienen complimented Director Ekern and the Board for its partnership. He hopes to expand on the excellent relationship that the two agencies have established. He emphasized the importance of a good transportation system and thanked the Board for visiting the City of Rocks National Reserve and Castle Rock State Park.

After a brief drive into the National Reserve, the group turned around and returned to Burley via the City of Rocks Backcountry Byway north, SH-77 north, and I-84 west.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting and tour of District 4 officially adjourned at 12:45 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
May 19, 2005
Lewiston, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

April 15, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 11:00 AM on Friday, April 15, 2005. The following principals were present at the Idaho Transportation Department in Boise:

Charles L. Winder, Chairman

Monte C. McClure, Member – District 3

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Steve Hutchinson, Acting Chief Engineer

Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference:

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Gary Blick, Member – District 4

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 11:00 AM to discuss legal matters. Member McClure seconded the motion and it passed unanimously by individual roll call vote.

The general tenor of the legal item was pending litigation on the I-84/I-184, Wye Interchange project.

The Board came out of executive session at 11:30 AM. No decisions were made.

Member Sweeney made a motion to authorize a settlement agreement with Oregon Iron Works in the amount of \$500,000 plus the purchase of receivables owed from the Nelson McAlvain Joint Venture in the amount of \$52,950. Member McHugh seconded the motion and it passed 5-0 by individual roll call vote.

WHEREUPON the special session of the Transportation Board adjourned at 11:35 AM.

signed

CHARLES L. WINDER, Chairman

Idaho Transportation Board

Read and Approved
April 21, 2005
Shoshone, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

April 1, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 8:45 AM on Friday, April 1, 2005. The following principals were present at the Idaho Transportation Department in Boise:

Charles L. Winder, Chairman
Monte C. McClure, Member – District 3
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Steve Hutchinson, Acting Chief Engineer
Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference:

John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Gary Blick, Member – District 4
Neil Miller, Member – District 5

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 8:45 AM to discuss legal matters. Member McHugh seconded the motion and it passed unanimously by individual roll call vote.

The general tenor of the legal items were pending litigation on the US-95, Mica Bay, and I-184 Wye Interchange, Stage I, and I-184, Franklin Interchange to Curtis Interchange, Stage I, projects.

The Board came out of executive session at 10:10 AM. No decisions were made.

WHEREUPON the special session of the Transportation Board adjourned at 10:35 AM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
April 21, 2005
Shoshone, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

March 18, 2005

The Idaho Transportation Board met at 8:30 AM, on Friday, March 18, 2005, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Karl Vogt, Deputy Attorney General

February 17, 2005 Board Minutes. Member Blick made a motion to approve the minutes of the regular Board meeting held on February 17, 2005, as submitted. Member Miller seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

April 21-22, 2005 – District 4
May 18-20, 2005 – District 2
June 15-17, 2005 – District 6

Consent Calendar. Member McClure made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board
ITB05-11 approves the request to exceed consultant term agreement, SH-200,
Trestle Creek Bridge Replacement, key #6607, District 1; the Bonners Ferry Visitor
Center increase federal-aid ratio, key #9150, District 1; District 1 Federal Program
changes; District 3 State Program changes; District 3 increase of federal-aid limit on
Congestion Mitigation/Air Quality project; District 5 Federal Program changes; FY06
State Rail-Highway Safety Program change, District 3; and speed minute entry
changes, US-20/26, District 3; and has received and reviewed the contract award
information, the new and supplemental professional agreements report, and the
January financial statement analysis.

1) Exceed Consultant Term Agreement, SH-200, Trestle Creek Bridge Replacement, Key #6607,

District 1. Due to unavoidable environmental issues associated with impacts to listed threatened and endangered species and a change in right-of-way conditions, the SH-200 Trestle Creek Bridge Replacement project requires additional regulatory consultation and design modifications. Staff would like to retain the existing engineering consultant, David Evans and Associates, because of its knowledge of the project and to provide continuity. Additionally, staff believes utilizing the existing consultant could result in efficiencies in the delivery process and cost savings in project development. The District requested approval to exceed the term agreement limit with David Evans and Associates, up to \$650,000, for key #6607.

2) Bonners Ferry Visitor Center Increase Federal-aid Ratio, Key #9150, District 1. Staff requested increasing the federal-aid ratio for the US-95, Bonners Ferry Visitor Center because not all of the previously agreed upon local match is available. The federal participation rate for the project has already been established with FHWA. The U.S. Fish and Wildlife Service (USF&WS) initially agreed to provide \$10,000 local cash match and \$60,000 local in-kind match from an in-agency grant. The State agreed to provide the remaining cash match of \$81,000. Unknown at the time of the application and agreement, the \$60,000 grant had already been committed to a wildlife refuge so is not available for this project. The District and the City of Bonners Ferry believe this project can be accomplished without the USF&WS participation. Eliminating this contribution reduces the total cost of the project to \$591,000. This change increases the federal participation rate of the project from 76.8% to 84.6%. The minimum match rate of 10%, as required by Board Policy, is still met.

3) District 1 Federal Program Changes. Staff requested delaying US-95, Sandpoint North and South, key #1729; SH-97, Beauty Creek Bridge, Kootenai County, key #557; SH-200, Lightning Creek Bridge, Clark Fork, key #5158; and SH-97, Turner Creek Bridge, Kootenai County, key #8399 from FY05 to FY06. It also requested delaying US-95, Sandpoint Long Bridge Overlay, Stage 1, key #9448 from FY05 to FY07 and advancing SH-97, Harrison Bridge, Kootenai County, key #556 from FY06 to FY05. Delaying the FY05 projects is necessary to cover unanticipated cost increases and to advance key #556. In June 2004, the Harrison Bridge inspection revealed serious structural concerns and the bridge was restricted to one-way traffic.

4) District 3 State Program Changes. Staff requested delaying SH-55, Banks Passing Lanes, Boise County, key #7051 to FY08 and to amend the Statewide Transportation Improvement Program to add the SH-55, Intersection Eagle Road and Hobble Creek Drive traffic signal and the US-20, Chinden Boulevard, Stafford Drive to Stone Road median barrier and lane widening to FY05 of the State Program. Key #7051 was obligated for construction in FY03, however, recent findings indicate a need for additional design work to construct the project, along with a cost increase of \$2 million, resulting in the requested Program changes.

5) District 3 Increase of Federal-aid Limit on Congestion Mitigation/Air Quality Project, Key

#8856. The City of Nampa is the sponsor of the I-84 Business, Garrity Boulevard Intelligent Transportation System Project, which will interconnect and coordinate signals on the I-84 Business Loop. Additional funds are needed to hire a consultant to prepare and implement a signal coordination plan for the complicated intersection geometry. To provide funds for this increase, a savings has been identified on the FY05 Caldwell Air-Regenerative Sweeper, key #8859, project. Staff requested increasing the federal-aid limit on key #8856 from \$175,000 to \$192,000.

6) District 5 Federal Program Changes. Staff requested delaying I-15, Clark Street Overpass, Pocatello, key #7120; I-86, FY05 Fence Replacement and Repair, key #9001; and I-15, Interstate Fence Repair and Replace, key #9230 from FY05 to FY07; I-15, Inkom Port of Entry, key #8446 from FY05 to FY09; US-30, Lund to Hegstrom Road, Caribou County, key #8619 from FY07 to FY09; and I-86, Raft River Interchange to Rockland Interchange, key #8994 and I-86, East American Falls Interchange Overpass, Exit 40, key #8671 from FY09 to Preliminary Development. These delays are requested to make funds available for unanticipated cost increases that occurred on prior year projects during the first two quarters of FY05.

7) FY06 State Rail-Highway Safety Program Change, Key #9142, District 3. SMA 9833, Milwaukee Street Railroad Crossing, key #9142, originally estimated at \$300,000, was removed from the Program in May 2004 due to insufficient funds in the State Railroad Grade Crossing Protection Account. The project was to test a new BODAN pre-stressed modular concrete crossing surface with an in-roadway flashing light system. The Idaho Northern and Pacific Railroad Company (INPR), Ada County Highway District (ACHD), and ITD partnered on the project. The project was reevaluated in December and the cost estimate reduced to \$175,000. ACHD will prepare all construction and traffic control plans and INPR will provide equipment, labor, and railroad flagging for crossing construction at no charge to the project. Staff determined that funds will be available for this project to begin payout from the State Railroad Grade Crossing Protection Account on July 1 and requested Board approval to add SMA 9833, Milwaukee Street Railroad Crossing, Boise, to FY06 of the STIP at a cost of \$175,000.

8) Speed Minute Entry Changes, US-20/26, District 3. District 3 conducted an engineering and traffic investigation on US-20/26 from milepost (MP) 40.229 to 42.833. Based on the speed study results, road conditions, safety evaluation, and public support, the recommendation is to decrease the speed limit from 55 miles per hour (MPH) to 45 MPH on US-20/26 from MP 40.229 to 42.833.

9) Contract Award Information. Key #8884 – US-95, Bridge Rail Update, District 2. Low bidder: Frank Gurney Inc. - \$329,779.

Key #8577 – SH-69, FY05 District 3 Region 1 Sealcoats. Low bidder: Snake River

Construction, Inc. - \$305,163.

Key #8390 – I-90, FY05 District 1 Pavement Striping. Low bidder: Specialized Pavement Markings, Inc. - \$113,921.

Key #8664 – I-15, Fort Hall to West Blackfoot Interchange, District 5. Low bidder: Jack B Parsons Companies - \$446,916.

Key #8715 – Four Corners Beautification, McCall, District 3. Low bidder: Hillside Landscape Construction, Inc. - \$362,706.

10) New and Supplemental Professional Agreements Report. From February 1, through February 28, the Consultant Administration Unit processed \$3,039,890 in professional, supplemental, and term agreements.

11) January 2005 Financial Statement Analysis. The total federal aid revenue was \$17.4 million or 12% ahead of projections through the month. Revenue from the Highway Distribution Account was \$2.3 million, or 2.3%, ahead of the forecast. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 4% and the state program was 26% less than projected.

Aviation fuel tax revenue for January was ahead of projections by 10%. Miscellaneous revenue was 1% more than forecasted year to date. Overall expenditures were less than last year, due to fewer Trustee and Benefit payments. The Aircraft Operations Fund was ahead of projections by \$6,100, or 5%. Expenditures exceeded the same time period last year by approximately 34%.

Board Items. Member Sweeney was pleased to report that the US-95, Top of Lewiston Hill to Genesee project will be under construction soon.

Member Miller mentioned that he has received a number of complaints from motorists regarding the I-15, Sunnyside Interchange project. Constituents are frustrated with the lower speed limit and signage for the construction zone while no work is being performed. Director Ekern stated that an update on the Safety Work Zone Team's efforts, addressing these concerns, will be provided during Department Activities.

Chairman Winder reported that the Grant Anticipation Revenue Vehicle (GARVEE) bond legislation has passed the Idaho Senate. He thanked staff for its efforts on this important proposal and encouraged the Board to provide assistance with passage in the House.

Department Activities. Director Ekern stated that a moment of silence will be held during the

Employee Service Awards for Jim Onthank and Toby Stevens. The two District 2 employees, stationed at the Grangeville maintenance shed, were killed in a traffic collision earlier in the week. He commended ITD staff and Idaho State Police for all of the assistance that has been provided to the employees and families at this difficult time.

Aeronautics Administrator Bob Martin distributed the draft “The Idaho Airstrip Network Action Plan...A Focus Area Component of Idaho’s Transportation Vision – 2004-2034.” The document is a result of the backcountry airstrip symposiums conducted last fall that focused on the future of the state’s backcountry airstrip system. The document is currently being circulated for public comment. The Aeronautics Advisory Board is planning to review the document and comments in May.

Acting Chief Engineer (ACE) Steve Hutchinson said the Work Zone Safety Team has been reviewing various issues related to work zones. The Team hopes to finalize its recommendations this summer. Assistant Traffic Engineer Carl Main elaborated on the Team’s efforts, which has been to take a system-wide approach to address various work zone issues. In addition to ITD employees, the Team is comprised of representatives from Idaho State Police, Federal Highway Administration, the Associated General Contractors of Idaho, the Idaho Sheriff’s Association, legislators, and contractors. Educational efforts are a key component to increase safety, and legislation on work zone reform is needed.

Member Blick emphasized the importance of motorists slowing down in work zones. He asked why Idaho has a difficult time with speeding in work zones when that issue does not appear to be a problem in other states. Director Ekern stated that Idaho Code prohibits ITD from using the national standards regarding enhanced penalties for speeding in work zones. He commended the Team for its efforts. The next steps will be implementation of the recommendations and training. He added that the recommendations will be a change in culture for ITD.

ACE Hutchinson expanded on the major change: assigning ITD the responsibility for signage in work zones instead of the contractor. If no work is occurring in an area, no construction related signs will be visible.

In response to Chairman Winder’s question on the reduced speed limit in the I-15, Sunnyside Interchange project area, Director Ekern said the Sunnyside Interchange area is, to some extent, an experiment. Residents in that vicinity have complained of road noise. The lowered speed limit is partly to address the noise concern.

Director Ekern reported that the Access Management Team is progressing on its work and anticipates presenting recommendations to the Board in June. He also mentioned that he is planning to bring specific information to the Board for endorsement next month on the initiatives

he presented last month.

In conclusion, Director Ekern mentioned that he will be on the agenda at an upcoming Western Statewide Field Operations Conference. The topic will be stewardship and oversight with FHWA.

Employee Service Awards. The Board participated in the Employee Service Awards. Chairman Winder expressed sympathy to the families, friends, and co-workers of Jim Onthank and Toby Stevens. A moment of silence was held in their honor.

Member Blick provided remarks during the program, which included several special presentations. Dennis Jensen, District 4, and Gary Atchley, District 2, were recognized as the Maintenance Person of the Year and Safety Person of the Year, respectively. Dave Turner was honored for an invention to test de-icing chemicals. A national Digital Government Award was presented to Jennifer Finke, on behalf of the team that developed an exceptional web site devoted to trucking issues.

Annual Report on Audits. Internal Review Manager (IRM) Carri Rosti summarized the internal and external audits and special assignments performed in 2004. Some of the reviews included Port of Entry cash controls, construction project payments, risk assessment methodology, pre-award reviews of consultant agreements, consultant overhead rates, public transportation sub-grantees, and railroads and utilities. The work planned for 2005 includes a review of the District administrative operations, consultant services and contracts, the Division of Aeronautics' grant process, consultants, contractors, and public transportation sub-grantees. In conclusion, IRM Rosti stated that Internal Review will focus on governance and quality assistance activities that will assist management, the Board, and other stakeholders in helping to ensure that reliable governance activities and efficient systems and processes are in place.

Vice Chairman Combo referenced the recent review of and recommendations for the research program conducted by Dr. Michael Kyte. He suggested a review by Internal Review of the research program to ensure ITD is getting its money's worth. He also suggested a presentation to inform the Board of the financial aspects of the research program and also to provide a better understanding of this program. Chairman Winder responded that such review and presentation was a management responsibility and that the Director would provide such review and information.

Chairman Winder thanked IRM Rosti for the informative presentation.

Contract Awards. ACE Hutchinson said the low bid on keys #8453 and #9014, IMG-0005(126) and IMG-0006(115), FY05 Districts 5 and 6 Pavement Striping, I-86 and I-15, Bannock, Bingham, Bonneville, Cassia, Clark, Jefferson, Oneida, and Power Counties, was more than ten

percent over the engineer's estimate, requiring justification. The difference between the low bid and the engineer's estimate was in the S900-60A Pavement Markings and S900-60B Pavement Markings items. The District estimated these items using bid history from past District projects and was unable to predict the rise in cost over the last year. The three lowest acceptable bid estimates were close, with less than a \$6,000 difference. Staff recommends awarding the low bid.

Member McClure made a motion to award the contract on keys #8453 and #9014 to the low bidder: Promark Inc., Lolo, Montana - \$325,344.94. Member Sweeney seconded the motion and it passed unopposed.

ACE Hutchinson reported that the low bid on key #9146, NH-5110(157), US-95, Setters Road to Bellgrove, Stage 2, Kootenai County, District 1, was more than ten percent over the engineer's estimate, requiring justification. The Engineer's Estimate was based on the Average Unit Bid Price Report, recent bid results for the adjacent Setters Road to Bellgrove Stage 1 project, and Bridge Section Average Unit Price data. The major differences between the Engineer's Estimate and the low bid are in Item Z629-05A Mobilization and Item 504-005A STL bridge. Upon review, staff believes the mobilization bid is reasonable for this project. Also, staff believes the STL Bridge bid is reasonable when compared to other projects that have opened since the Engineer's Estimate was generated, and given current market conditions. Staff recommends awarding the contract.

Member Miller made a motion to award the contract on key #9146 to the low bidder: Max J. Kuney Company, Spokane, Washington - \$34,779,932.68. Member McClure seconded the motion.

In response to Member McHugh's question, ACE Hutchinson responded that the consultant prepared the Engineer's Estimate, but District staff reviewed it. Member McHugh indicated that the District had some concerns with the Engineer's Estimate and thought some items were estimated too low.

Member Sweeney asked why the mobilization cost was high. ACE Hutchinson said that the Department will look into the cost of mobilization in general. He isn't sure why it was bid high on this project. Chairman Winder asked if all of the bidders' mobilization costs were comparable. Member McClure said that mobilization is a variable and is often used to cover last minute expenses that aren't included in other bid items.

The motion passed unopposed.

The low bid on key #8220, ST-4200(634), US-12, Kooskia Port of Entry, Idaho County, District 2, was more than ten percent over the engineer's estimate, requiring justification, according to

ACE Hutchinson. The sources of the Engineer's Estimate were the Average Unit Price Report and bid history report. The difference between the Engineer's Estimate and low bid were in the following items: 203-005A Rem of Obstructions, 405-025A Plant Mix Pavement, 615-430A Comb Curb and Gutter TY2, and Z629-05A Mobilization. Because of the relatively small dollar amount between the Engineer's Estimate and the low bid, \$36,635.71, the District does not believe revising the plans and readvertising the project would result in savings. Additionally, it will be advantageous to the Port of Entry operations to complete the project this construction season. The District recommends awarding the contract.

Member McClure made a motion to award the contract on key #8220 to the low bidder: Poe Asphalt Paving, Inc., Lewiston, Idaho - \$179,144.75. Member McHugh seconded the motion and it passed unanimously.

Luncheon Meeting. The Board met with former Board Members Representatives Leon E. Smith and Mike P. Mitchell during lunch at the Statehouse Inn. The discussion focused on the GARVEE bond legislation. Chairman Winder thanked the representatives for meeting with the Board. He asked the legislators to share their concerns with the legislation and stated that the Board would like to resolve the issues if possible.

Representative Smith said his concerns are the 13 specified projects eligible for funding and that there is no financial cap in the legislation. Director Ekern emphasized that the list of projects is based on work that the Board and Department have completed: identification of high priority corridors and long-range planning efforts. All projects funded with GARVEE bonds will follow the same procedures as other projects, such as inclusion in the STIP and adherence to environmental and public involvement regulations.

Representative Mitchell believes the germane committees should have oversight on issuing GARVEE bonds, not the Joint Finance and Appropriations Committee (JFAC). He does not believe JFAC is as knowledgeable on transportation issues and projects.

Chairman Winder acknowledged their concerns, but stressed the Board needs their help with passage of the bill. He believes a cap would limit the projects that could be constructed and would result in losing the economic advantage of building projects now and avoiding future inflation costs. He also emphasized that the bonding process can stop if economic or other conditions warrant it, but encouraged the legislators to allow the issuance of these bonds.

Delegation – Community Planning of Southwest Idaho (COMPASS). COMPASS Planning Director Charles Trainor summarized the partnering efforts of COMPASS, ACHD, and ITD to develop a long-range plan for the region. Due to continued growth, the plan for the Treasure Valley was expanded to include Boise, Elmore, Gem, and Payette Counties. Both short- and long-

range strategies are being developed. Some of the components include identifying projected transportation demands, considering congestion management systems, assessing measures to preserve the existing system, and multimodalism. Mr. Trainor said the process includes extensive public involvement. Final adoption of the plan is scheduled in February 2006.

Chairman Winder thanked Mr. Trainor for the update on this important project.

Delegation – Valley Regional Transit (VRT). VRT Director Kelli Fairless thanked the Board for the opportunity to report on the Regional Operations and Capital Improvement Plan. The document was initiated to develop a comprehensive public transportation service plan and capital improvement strategy for the Treasure Valley. The main goal of the short-range plan is to increase ridership, with an emphasis on creating a system that is more frequent, faster, simpler, and easier to market. Long-range plans were based on two service scenarios representing different levels of funding, with both including substantial service expansions to previously unserved areas and employing “flex routes”, a delivery method that combines attributes of fixed schedules and demand response services to serve large areas where demand is dispersed. Ms. Fairless suggested the Board could expand the partnership with VRT through rail preservation, intermodal facilities, VRT board participation, and transportation system funding. She added that ITD staff members participate on VRT committees.

Chairman Winder thanked Ms. Fairless for the presentation and for her efforts in the public transportation arena. He concurred that funding options need to be explored and that ITD needs to work with VRT on transit issues. Director Ekern said staff will review areas of assistance it can provide to VRT.

Driver Licensing Issues. Jeanne Purcell, Driver License Unit Supervisor, reported that a driver’s license is now the number one form of identification, which is a change from its initial purpose of authorizing motorists to drive legally. She reviewed concerns with fraudulent documents, as identity theft is currently the number one crime in the US, and elaborated on measures being taken to prevent fraudulent documents.

Driver Services Manager (DSM) Ed Pemble summarized the Department’s process to notify drivers whose licenses have expired or are about to expire. He questioned the necessity of this process, as the expiration date is the driver’s birthday. Additionally, a driver can renew a license one year before it expires. He added that sending notification, which costs approximately \$50,000 annually, is inefficient when drivers move, but do not notify ITD of their change of address. About one-third of the addresses ITD has are not current.

DSM Pemble elaborated on the Intelligence Reform and Terrorism Prevention Act addressing drivers’ licenses. In two years, no federal agency may accept a driver’s license or identification

card if it is not in conformance with the law. Currently, ITD's cards do not conform due to security features. Standards for the drivers' licenses and identification cards are being established in rule.

Lynn Rhodes, Driver License Supervisor, demonstrated security features currently available on Idaho's drivers' licenses. She also presented the new drivers' license that will be in production in June. Some advantages of digitized cards are greater security features, bar coded information, images digitally stored, vertical youth format for underage motorists, high quality and colored dossiers, and electronic transmission of dossiers.

Micki Courtney, Commercial Drivers' License (CDL) Program Specialist, provided an update on the CDL program due to the USA Patriot Act of 2001. The final implementation date for new CDLs with hazardous materials endorsements was January 31, 2005, and is May 31, 2005 for renewals. She added that waivers are available and there is an appeal process. In conclusion, Ms. Courtney mentioned that the Federal Motor Carrier Safety Administration will be conducting a compliance audit on ITD's CDL program next month.

The Board thanked staff for the in-depth report on driver's license issues. Vice Chairman Combo mentioned that he often hears compliments on the service provided by the Driver Services employees.

Tribal Fuel Tax. DAG Vogt reported that the US Supreme Court has denied the Idaho Tax Commission's request for Certiorari. Essentially, the ruling upholds the District Court decision that voided the statute putting the legal incidence of the fuel tax on the distributor. DAG Vogt indicated that he will have a better understanding of Idaho's outcome next fall. Requests for refunds have been made; however, it has not been determined how far back the refunds can date. In response to Vice Chairman Combo's question, DAG Vogt replied that the source of the refunds is an unresolved issue.

Member Miller expressed concern that a number of issues are impacting the Department's revenue, not just the tribal fuel tax ruling. Director Ekern believes the tribal fuel tax issue would be a good topic for the Forum on Transportation Investments to discuss next month, as it will impact the state's revenue.

Old/New Business. Vice Chairman Combo reported that District 1 is facing numerous challenges in filling three Staff Engineer positions. The reasons for declining the job offers, particularly candidates who live out-of-state, include low salary and a moving expense allowance that falls short of actual moving expenses. The Department cannot compete with private consulting engineering firms. District 1 has found a qualified candidate from Ohio. Although an acceptable salary has been negotiated, further negotiations have stalled due to the cap on reimbursable

moving expenses established by the Board of Examiners.

Member McHugh made a motion, seconded by Member McClure, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department Division of Highways, District One, currently has three

ITB05-12 openings for Staff Engineer positions, and has faced numerous challenges in its attempt to fill those positions; and

WHEREAS, District One has made multiple offers to several candidates, but each time the offers have been turned down; and

WHEREAS, the two primary reasons for declining the job offers were low salary and a moving expense allowance that falls far short of actual moving expenses; and

WHEREAS, the District is now in negotiations with a qualified candidate living out-of-state that has agreed to a salary offer, but further negotiations have stalled due to the cap on reimbursable moving expenses put in place by the Board of Examiners.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board authorizes the Department to pursue an exemption to the \$5,000 moving expense limit with the Board of Examiners, with an increase not to exceed \$2,000.

A summary of legal cases resolved by the Legal Section recently, a status of current legal cases, and a report on contract claims were presented. DAG Vogt answered several questions related to cases involving inverse condemnation, access, a contract claim, and a negligence action. Chairman Winder expressed concern with inverse condemnation and access issues, and asked that those issues be addressed.

Budget, Policy, and Intergovernmental Relations Manager Julie Pipal provided an update on legislative activities. Four of ITD's proposals have been sent to the Governor and five have passed one chamber and are currently on the floor in the other chamber. Staff worked with the industry on concerns related to the quick-clearance legislation and hopes to get that bill passed this session.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code. Member Blick made a motion to meet in executive session at 4:45 PM to discuss personnel and legal issues. Member McClure seconded the motion and it passed 6-0 by individual roll call vote.

The discussion on pending litigation related to ITD's relationship with Risk Management and the I-84/I-184, Wye Interchange and the US-95, Mica Bay projects.

A personnel matter was also discussed.

The Board came out of executive session at 5:45 PM. No decisions were made.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 5:45 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
April 21, 2005
Shoshone, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

February 17, 2005

The Idaho Transportation Board met at 8:40 AM, on Thursday, February 17, 2005, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Bruce Sweeney, Member – District 2
Gary Blick, Member – District 4
Neil Miller, Member – District 5
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Charles Rountree, Deputy Director
Steve Hutchinson, Acting Chief Engineer
Karl Vogt, Deputy Attorney General

Idaho Transportation Board Member Monte McClure was absent.

Election of Vice Chairman. Member McHugh made a motion to re-elect John X. Combo as Vice Chairman of the Board. Member Miller seconded the motion and it passed unopposed.

January 20, 2005 Regular Board Minutes and February 4, 2005 Special Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on January 20, 2005 and the minutes of the special Board meeting held on [February 4, 2005](#), as submitted. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

March 18, 2005 – Boise
April 21-22, 2005 – District 4
May 18-20, 2005 – District 2

Consent Calendar. Member McHugh made a motion, seconded by Vice Chairman Combo, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board has received and

ITB05-07 reviewed the contract award information and the new and supplemental professional agreements report.

1) Contract Award Information. Key #3214A – I-84, West Lateral Irrigation Culvert, District 3. Low bidder: Masco, Inc. - \$236,704.

Key #8109 – US-93, Salmon Falls Creek Bridge, Twin Falls County, District 4. Low bidder: Idaho Construction Company - \$1,588,502.

Key #8842 – US-20, Sugar City to Twin Groves, District 6. Low bidder: Diversified Concrete Cutting - \$505,517.

Key #8384 and #8718 – Blackfoot Area Greenbelt Phase 2 and Porterville Rose Bike/Pedestrian, Bingham County, District 5. Low bidder: HK Contractors, Inc. - \$376,851.

The low bid on key #8713 – US-95, Pennsylvania Avenue Southwest 4th, Fruitland, District 3, was more than ten percent over the engineer's estimate and staff rejected the bid.

2) New and Supplemental Professional Agreements Report. From January 4, through January 31, the Consultant Administration Unit processed \$2,123,290 in professional, supplemental, and term agreements.

Board Items. Vice Chairman Combo commented on a recent issue with signs on local roads. After completing a construction project, staff erroneously erected the wrong signs identifying local roads. He believes the issue of ITD's responsibilities with local roads, particularly at state highway and local road intersections, needs to be a high priority. Earlier, DAG Vogt was asked to discuss this issue with the District Engineers. Vice Chairman Combo asked DAG Vogt to invite Local Highway Technical Assistance Council (LHTAC) Administrator Joe Haynes to that meeting.

Vice Chairman Combo said he attended a recent meeting where the featured speaker was from the Greater Yellowstone Coalition. The speaker talked about the SH-87 projects the Board approved recently to enhance fish passage to and from Henrys Lake. The speaker praised ITD's efforts on this project. Chairman Winder added that he has heard appreciation from several different sources for the Department's assistance with this issue.

Chairman Winder reported on a number of meetings he attended recently, with the majority being presentations on the Grant Anticipation Revenue Vehicle (GARVEE) bond proposal. He also participated in last week's FY06 budget presentation to the Joint Finance and Appropriations Committee.

Department Activities. Director Ekern was pleased to report that two employees from the Mullan Maintenance Shed in District 1, Bruce Van Broeke and Jay Hebert, were recognized recently for

their response to an avalanche. Their assistance was greatly appreciated.

Director Ekern was also pleased to recognize a number of employees for their contributions to the United Way Campaign. Sharon Bates and Lisa Applebee are contributing ½% of their salary. Raelene Viste, Robert Snyder, Shanah Percy, Steve Loop, Linda Emry, Janet Weaver, Cheryl Rost, Donald Nesbitt, and Ron Kerr were recognized for contributing 1% of their salary. The Board also commended the employees for their charitable contributions.

Director Ekern distributed information on the GARVEE bond proposal, including a one-page summary prepared by a coalition of supporters.

Budget, Policy, and Intergovernmental Relations Manager (BPIRM) Julie Pipal provided an update on legislative activities. The Department's original speed limit proposal was re-written with the Idaho Trucking Association to address differential speed limits. After a brief discussion, the Board concurred to proceed with the revised speed limit legislation.

Administration Division Administrator (ADA) Sue Simmons reported that the Executive Team has been working on a pay policy. Staff is reviewing several options and anticipates submitting a proposal for the Board's consideration in May.

Board members expressed concern with the continued loss of ITD employees to other entities because the state's salary is not competitive. They expressed appreciation to staff for addressing this important issue.

ACE Hutchinson requested guidance on the numerous local requests the Department has received to endorse federal discretionary projects. ITD has been asked to support such projects as Bridging the Valley, a new I-84 Ten Mile Interchange, and improvements to Grangemont Road. ACE Hutchinson stated that problems can be encountered if the local public entity receives the federal award but does not have the match for the project. Although this issue needs to be addressed now, he believes a process that includes educational efforts on the match and other related requirements of these funds should be developed for the future.

Member Miller commented that he heard reauthorization may include subtracting discretionary funds from states' formula funds. This would result in a zero sum gain. He supported a thorough process for ITD to address local requests of support for discretionary projects.

Vice Chairman Combo questioned the Congressional Delegation staffs' involvement and whether ITD is expected to screen the local funding requests. DDIR Rountree emphasized that ITD works closely with the Congressional Delegation staff members on state projects, but to date has had little coordination on local projects.

Member Blick expressed support to educate the local public officials on the funding process and ensure they are aware of the match requirement. Member Sweeney added that the District Engineers should be involved in the process.

The consensus of the Board was to have the Division of Planning and Programming review the current project requests. If the projects have merit and have gone through the planning process, the project could be endorsed by the Department. The Board also asked staff to develop a process to address this issue in the future.

Dissolution of the Highway Safety Fund. BPIRM Pipal stated that the Federal Highway Safety Act of 1966 created a coordinated national highway program that provided states with funding to implement highway safety programs. As a result, Idaho established the Idaho Traffic Safety Commission (ITSC) within the Governor's Office. A Highway Safety Fund was created administratively at that time to account for highway safety monies. This Commission was transferred to ITD in 1974 via Idaho Code, giving the Director supervision and control of all federal highway safety programs. Idaho Code did not statutorily create a Highway Safety Fund, but the existing fund was transferred administratively from the Governor's Office to ITD.

The Department is in the process of implementing a new accounting system, and, as part of this, a review of all existing funds was undertaken, according to BPIRM Pipal. Staff does not believe the Highway Safety Fund is needed for operational, regulatory, or statutory purposes. The State Controller's Office concurs. Staff is proposing closing this account and transferring the remaining balance to the State Highway Account.

Member Miller made a motion, seconded by Member Blick, to approve the following resolution:
RES. NO. WHEREAS, the Federal Highway Safety Act of 1966 established the Traffic Safety Commission in the

ITB05-08 Idaho Governor's Office, and the Commission was transferred to the Idaho Transportation Department in 1974; and

WHEREAS, the Highway Safety Fund was created administratively to account for highway safety monies but was not established in Idaho Code; and

WHEREAS, ITD is in the process of implementing a new accounting system, and the Department and the State Controller's Office have determined that the Highway Safety Fund is not needed for operational, regulatory, or statutory purposes.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves the Department's actions to:

- 1) revise the Governor's recommendation for ITD's FY06 Appropriation request to realign highway safety spending authority from the Highway Safety Fund (0263) to the State Highway Account (0260);
- 2) secure authority to transfer the Highway Safety Fund balance to the State Highway Account effective June 30, 2005;
- 3) dissolve the Highway Safety Fund (0263) and transfer any remaining balances in the fund to the State Highway Account (0260) effective June 30, 2005; and
- 4) propose the following intent language for ITD's FY06 Appropriation bill – "It is the intent of the legislature that the Highway Safety Fund (Fund 0263) be dissolved effective June 30, 2005, and that any remaining balance in such fund be transferred to the State Highway Account (Fund 0260) upon dissolution."

Member McHugh asked how much money is in the account. BPIRM Pipal responded about \$2 million. In response to Member Sweeney's question, Director Ekern reported that there will be a mechanism to track the money. He stated that safety has been identified as a major focus area. The Department will continue to track the money expended on safety projects.

Vice Chairman Combo asked if the ITSC will be impacted by this proposal. BPIRM Pipal responded that no changes are being made regarding the expenditure of these safety funds. There will be no impact to the ITSC.

The motion passed unopposed.

Annual Equal Employment Opportunity (EEO) Report. ADA Simmons summarized the reorganization efforts in the Administration Division. Some functions were combined into one section to better align the employee services provided by the Division. She also reported that a Human Resource Council is being established to address human resource issues and to update or revise related policies. She believes these changes will result in a more efficient, streamlined process to deal with various employee issues.

EEO Manager Karen Sparkman reported on the activities in the EEO/Affirmative Action Program, Americans with Disabilities Act (ADA), Title VI monitoring, contract compliance, Disadvantaged Business Enterprise (DBE) program and supportive services, and on-the-job/supportive services program. She reported on the Department's employment statistics and noted that additional females are needed in the professional and technician job categories. Six job accommodations, such as changes in work schedules or purchasing equipment or assistive devices, were made to comply with the ADA. In FY04, eight contract compliance reviews were conducted with seven meeting standards. Some of the DBE supportive services activities included workshops for recruiting new DBEs, professional and technical skills development, and publication of the DBE newsletter.

Annual Training Report. Training and Development Manager (T&DM) Marcia Aitken said workforce challenges cover a myriad of issues, from increasing use of and dependency on ever changing technology to changing customer expectations. This results in the need to address new workforce competencies and skills, and to develop a commensurate educational and development effort. To plan and provide for a broad spectrum of professional development, T&DM Aitken believes ITD must partner and outsource to meet the diverse and growing demand for workforce development. During the past year, staff supported the information technology change initiative; developed specific training to address career development challenges; worked with the Division of Motor Vehicles to provide customized training in customer service, conflict resolution, and management communication skills; worked with the Division of Highways to develop and provide an Essential of Management class; identified areas to partner with other agencies; and identified external community training options.

Annual Safety Program Report. Employee Safety and Risk Manager Cheryl Rost reported on the Safety Program. The focus in 2004 was on emergency preparedness, workplace violence, and security issues. Other activities during the year included drug and alcohol testing, medical testing for contamination, and education and required training. Both industrial accidents and vehicular collisions increased in FY04 from FY03.

Annual Wellness Program Report. Statewide Wellness Resource Coordinator Pauline Davis summarized the activities the Wellness Council offered to employees last year to promote overall health and wellness. She also provided an overview on the activities of each District and Headquarters, such as an exercise challenge and wellness education.

The Board members asked questions during the various annual reports and thanked staff for the informative presentations.

December 2004 Financial Statement Analysis. Controller Dave Tolman reported that the total federal aid revenue was \$13.5 million or 10% ahead of projections through the month. Revenue from the Highway Distribution Account was \$3.6 million, or 4.1%, below the forecast; however, the State Controller missed transferring \$3.7 million for the month, or the revenue would have been on target. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 0.7% and the state program was 27% less than projected.

Aviation fuel tax revenue for December was ahead of projections by 17%. Miscellaneous revenue was 1.4% less than last year. Overall expenditures were less than last year, due in part to fewer Trustee and Benefit payments. The Aircraft Operations Fund was ahead of projections by \$18,100, or 17%. Expenditures exceeded the same time period last year by approximately 45%.

Controller Tolman also provided an update on the American Management System (AMS) project. Accomplishments to date include completion of GAP analysis, creation of application environments, and updated business scenarios to prototype and creation of test scripts for test phases. Some of the next activities include testing customizations, completing and testing all interfaces, and developing reports and forms. Some issues that need to be addressed are upgrading the technical environment and testing all functional scenarios. The original implementation date of July 1 has been delayed until late fall.

Public Transportation Advisory Council (PTAC) Annual Report. PTAC Chair Robert Scott reported on the PTAC activities. It welcomed new member Jim Deffenbaugh as the District 1 representative. At work sessions held to better define its role, the PTAC mission was developed: Foster public transportation for all Idahoans across the statewide transportation system, by working to increase local and intercity services available in communities around the state. Focus areas were also identified. The Council would like to increase its outreach and develop more partnerships. PTAC Chair Scott said that the main concern continues to be funding, particularly the match money that local communities must provide.

Chairman Winder thanked PTAC Chair Scott for the update. He also thanked PTAC Chair Scott and the other PTAC members for their continued efforts to improve public transportation and for their service to the state.

FY05/SFY06 Public Transportation Grant Funding. Public Transportation Administrator (PTA) Larry Falkner reported that staff has completed the public meeting and application review process for the FY05 Federal Transit Administration Section 5311 Rural Program, Section 5310 Elderly and Persons with Disabilities Program, and Section 5314(a) United We Ride, and the FY06 State Vehicle Investment Program. The projects have been reviewed by the PTAC, and the Council supports staff's recommendations.

Member Sweeney made a motion, seconded by Member McHugh, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Department Division of Public Transportation has completed

ITB05-09 the review of all applications for funding, held meetings in each District for public input, and developed project recommendations for the FY05 Federal Transit Administration programs and State FY06 Vehicle Investment Program as follows:

- Section 5310, Elderly and Persons with Disabilities Specialized Transportation - \$423,952
- Section 531, Rural and Intercity Bus Transportation - \$1,633,734

- Section 5314(a), United We Ride - \$35,000
- Vehicle Investment Program - \$312,000; and

WHEREAS, the Public Transportation Advisory Council participated in the District public meetings, has worked with staff in evaluating applications, and has concurred with the funding recommendations as presented.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board approves the funding recommendations for the Federal Transit Administration Programs FY05 and for State FY06, contingent on Legislative approval for funding the Vehicle Investment Program, as shown as Exhibit 299, which is made a part hereof with like effect.

I-84/I-184, Wye-Scape, District 3. Doug Russell, consultant with The Land Group, provided background on the proposed Wye landscape project. An advisory committee was assembled to assist with developing the project. He elaborated on two concepts that are being proposed. These concepts, estimated at \$8 and \$13 million for construction, will be presented at a public meeting this spring. Feedback received at the meeting will be used to craft a final concept that will be presented to the public for comment at an open house later this year. The final design will be coordinated with the City of Boise Maintenance Department and will address budget and safety concerns relating to the City's ongoing maintenance of the project.

Several Board members expressed concern that the proposed artwork may be distracting to drivers. They believe safety may be impacted by the landscaping project. Other concerns expressed were maintenance, particularly trash pick up; the cost of the project; and the fact that usually cities are responsible for landscaping and often apply for Enhancement Program funding for their landscape projects.

District 3 Project Manager Tom Haynes answered questions and provided additional information. The funding source is the Interstate Maintenance Program. The City of Boise will be responsible for the ongoing maintenance of the project. Mr. Haynes emphasized that safety is an important factor and there is no intent to compromise safety. Several cities throughout the nation use banners, similar to the proposal being considered for the Wye, in their landscaping.

Chairman Winder asked the consultant and staff to take the Board's comments under advisement; to continue working on the proposed project; and to provide information on total costs of the Wye projects, including the percentage of funds anticipated for landscaping.

SH-55 Future Context, District 3. Because of continuing development occurring along portions of SH-55, Assistant District 3 Engineer (ADE) Damon Allen emphasized the importance of

accommodating the traveling public and also the development. A future context sensitive filter to maximize options for improvements to the corridor for the long term is being developed. ADE Allen elaborated on this initiative, which focuses on access and the planned type of roadway for each segment. He emphasized that projects will follow the same procedures as all other projects, such as projects must be included in the Statewide Transportation Improvement Program (STIP), the public involvement process will be followed, the NEPA requirements will be adhered to, and projects will be coordinated with the appropriate local agencies.

Member Sweeney expressed concern with improving the portion of SH-55 from McCall to New Meadows. He believes through traffic, particularly commercial vehicles, should use US-95 rather than the Scenic Byway. ADE Allen concurred and stated he believes the main focus for traffic not destined for McCall will be US-95 and SH-16 if that route is extended to Mesa.

Contract Awards. Acting Chief Engineer (ACE) Hutchinson said the low bid on key #7820, ST-6350(654), US-93, North Fork Bridge to Gibbonsville Road, Lemhi County, District 6, was more than ten percent over the engineer's estimate, requiring justification. The difference between the low bid and the engineer's estimate was in the Cold Milling item. The District estimated this item using bid history from past District projects and did not consider the remote location of the project. Because the three bids received on this project were all close, staff recommends accepting the apparent low bid.

Member McHugh made a motion to award the contract on key #7820 to the low bidder: Western Construction, Inc., Boise, Idaho - \$1,912,700. Member Blick seconded the motion and it passed unopposed.

The low bid on key #7679, STP-2735(100), Airport Road, Twin Falls, Stage 1, Twin Falls County, District 4, was more than ten percent over the engineer's estimate, requiring justification. ACE Hutchinson reported that this was the second time this project was advertised. The Twin Falls Highway District removed some items from the project after the initial bids were rejected late last year. ASR mitigation in concrete left only one supplier willing to provide a sub-bid. The City of Twin Falls sewer main complexities, limited time frame for bridge construction, and bridge work comprising almost 50% of the work for the contractor increased the price of the construction. Asphalt Plant Mix prices were also high due to only one reliable supplier willing to supply the small amount of asphalt required for the project. LHTAC and the Twin Falls Highway District have agreed to fund the project increase. Staff recommends awarding the project to the apparent low bidder.

Member Sweeney made a motion to award the contract on key #7679 to the low bidder: Idaho Sand & Gravel Company, Inc., Jerome, Idaho - \$1,942,795.55. Member Blick seconded the motion and it passed unanimously.

ACE Hutchinson reported that the low bid on key #7769, NH-4110(133), US-95, Top of Lewiston Hill to Genesee, Nez Perce and Latah Counties, District 2, was more than ten percent over the engineer's estimate, requiring justification. The source of the Engineer's Estimate was the Average Unit Price Report and bid history. District staff does not believe its pricing of the work was adjusted to properly reflect the recent bidding of the Genesee to Thorncreek project. Staff does not believe a significant savings would be realized if the project is rebid. Also, the required wetland mitigation for this project and the previously awarded Genesee to Thorncreek project needs to be completed. Staff recommends awarding the project.

In response to Chairman Winder's question on the source of the additional funds needed for this project, ACE Hutchinson acknowledged that those funds have not been identified, but some money may be available from savings from other projects. Staff will review the Program and make adjustments accordingly, as it believes this is an important project.

Vice Chairman Combo made a motion to award the contract on key #7769 to the low bidder: Scarsella Brothers, Inc., Seattle, Washington - \$32,443,443.43. Member Sweeney seconded the motion and it passed unopposed.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code. Member McHugh made a motion to meet in executive session at 12:30 PM to discuss personnel and legal issues. Member Miller seconded the motion and it passed 5-0 by individual roll call vote.

The discussion on pending litigation related to the I-84/I-184, Wye Interchange and the US-95, Mica Bay projects.

A personnel matter was also discussed.

The Board came out of executive session at 1:40 PM. No decisions were made.

Air Transportation Investment Forum. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen said that the state's air transportation needs and demands are becoming a major challenge that will only increase. System financing mechanisms and funding will become more inadequate to meet long-term system expansion demands for infrastructure and operation. This demand is being fueled by Idaho's emergence as a major economic center, the impact of a diversifying economic base, the quality of life available here, and the aging infrastructure. The unmet demand for aviation capital and operations improvements is in excess of \$500 million for the state's public use airports.

AAB Chairman Sorensen believes that an initiative to understand and examine in a comprehensive way potential new innovative financing and funding approaches is needed. The AAB supports a forum in which interested parties understand the needs and available options for financing and funding Idaho's air transportation system, share ideas, and create an ongoing set of consistent, coordinated, and understandable proposals towards implementing long-term solutions to address these critical needs. AAB Sorensen asked the Board to endorse a Forum on Aviation Investment to address the state's increasing aviation challenges.

Member Sweeney made a motion, seconded by Member McHugh, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board recognizes that the current available funding and

ITB05-10 financing for transportation needs/demands in Idaho is a major challenge over the next decade; and

WHEREAS, the Board recognizes that Idaho's emergence as a major economic center, the diversifying economic base, the quality of life, and an aging infrastructure are fueling this demand; and

WHEREAS, the Aeronautics Advisory Board has requested a partnership with the Transportation Board to undertake an initiative to create an appropriate Forum on Aviation Investment; and

WHEREAS, the Transportation Board is empowered with the control of the financial affairs of the Aeronautics Board and the Idaho Transportation Department.

NOW THEREFORE BE IT RESOLVED, that the Transportation Board directs the Aeronautics Board Chairman and the Department Director to undertake a study along with willing partners to understand the needs and available options for financing Idaho's air transportation system and create understandable proposals that lead to long-term consistent and coordinated solutions that address financial needs.

Chairman Winder expressed appreciation for the AAB's efforts on this important issue. Member Sweeney said he does not believe an effort has ever been made to gather aviation partners to address statewide issues. He believes this forum could be very beneficial. Chairman Winder thanked the AAB members for their valuable contributions and service to the state.

Transforming Transportation. Director Ekern reported on the Department's various initiatives underway and planned for this year. The focus areas include improving project/ program delivery, improving safety, enhancing system operations, planning and innovative finance, and

organizational development. Projects within these focus areas include finalizing the access management policy for Board consideration this year, hosting an Idaho Safety Summit, the Forum on Aviation Investment, and additional consideration to reorganize the Department.

Chairman Winder thanked Director Ekern for the update. He encouraged Director Ekern to include streamlining as a focus area and to continue reviewing measures to increase efficiency.

Old Business. Director Ekern summarized the “Connecting Idaho” vision and the GARVEE bond proposal. The \$1.6 billion GARVEE bond investment can create up to \$9 billion in economic benefits, as effects will continue past the construction period. Foundations for using GARVEE bonds include maintaining the highway system at the current levels; maintaining the current five-year construction program; all projects funded through this mechanism must be included in the STIP; all improvements are designed to last a minimum of 40 years; all projects will be developed in accordance with state and federal laws and rules; and the projects will be sized to accommodate Idaho contractors.

Member Blick asked if there is a mechanism to address unexpected projects that need to be funded, for example, to address explosive growth in an area. Director Ekern replied that the financial analysis, based on the assumption that ITD will receive a 3.3% annual increase in federal funding, indicates that sufficient funds will be available to construct other projects.

Chairman Winder emphasized that if the legislature authorizes issuing GARVEE bonds, the Board will decide on an annual basis, if bonds will be issued and for which projects. The legislature will review the Board’s request and be asked to approve the bonds and projects annually. He also stated that the Board will have the ability to stop the process at any time if it deems that would be in the best interest of the state.

Member McHugh reiterated that emphasis should be placed on safety. By completing projects now with GARVEE bonds versus waiting until funding is secure, safety will be improved on major highways sooner. Director Ekern replied that staff has developed estimates related to safety and the anticipated number of lives that could be saved by completing these highway improvements now with GARVEE bonds.

Chairman Winder thanked staff for all of its efforts on the GARVEE bond proposal. Extensive time has been devoted to research issues, obtain information, and determine how the proposal would be implemented in Idaho. Additionally, he commented that staff has been very responsive to legislators and has done a commendable job of responding to people who have requested information on this proposal.

Member Sweeney thanked Chairman Winder for his substantial commitment to this initiative. He

commented that Chairman Winder has devoted considerable time on educating legislators and various groups on this proposal.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:10 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
March 18, 2004
Boise, Idaho

SPECIAL MEETING OF THE IDAHO TRANSPORTATION BOARD

February 4, 2005

Idaho Transportation Board Chairman Winder called a special meeting of the Idaho Transportation Board at 9:25 AM on Friday, February 4, 2005. The following principals were present at the Idaho Transportation Department in Boise:

Charles L. Winder, Chairman

Sue S. Higgins, Board Secretary

Dave Ekern, Director

Steve Hutchinson, Acting Chief Engineer

Karl Vogt, Deputy Attorney General

The following principals participated in the meeting via teleconference:

John X. Combo, Vice Chairman – District 6

John McHugh, Member – District 1

Bruce Sweeney, Member – District 2

Monte C. McClure, Member – District 3

Gary Blick, Member – District 4

Executive Session on Legal Issues, Section 67-2345(1)(f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 9:25 AM to discuss legal matters. Member Blick seconded the motion and it passed unanimously by individual roll call vote.

The general tenor of the legal items were pending litigation on the I-184 Wye Interchange, Stage I, and I-184, Franklin Interchange to Curtis Interchange, Stage I, projects.

The Board came out of executive session at 10:30 AM. No decisions were made.

Member McHugh made a motion, seconded by Member Sweeney, and passed unopposed to approve the following resolution:

RES. NO. WHEREAS, Walt's Concrete Company has filed a contract claim with the Idaho Transportation

ITB05-05 Department over the construction of the I-184, Wye Interchange, Stage I, and Franklin Interchange to Curtis Interchange, Stage I, known as project numbers IM-STP-NH-IR-184-1(008)0 and NH-DE-IR-184-1(003)1 and key numbers 2520 and 2610, respectively; and

WHEREAS, Walt's Concrete has a lawsuit pending, with trial scheduled April 18 through June 17, 2005.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board authorizes the settlement on the Walt's Concrete Claim on the I-184 Wye IC, Stage I, and Franklin IC to Curtis IC, Stage I projects.

Member Sweeney made a motion, seconded by Member McClure, and passed unanimously, to approve the following resolution:

RES. NO. WHEREAS, Nelson Construction Company and McAlvain Construction, known as Nelson

ITB05-06 McAlvain Joint Venture (NMJV) has filed a contract claim with the Idaho Transportation Department over the construction of the I-184, Wye Interchange, Stage I, known as project number IM-STP-NH-IR-184-1(008)0, key number 2520; and

WHEREAS, NMJV has a lawsuit pending with trial scheduled April 18 through June 17, 2005; and

WHEREAS, the Court has recently ordered the parties to pursue mediation, which is scheduled February 8 and 9, 2005.

NOW THEREFORE BE IT RESOLVED, that the Idaho Transportation Board authorizes Deputy Attorney General Vogt and Director Ekern to proceed with negotiating for potential settlement on the NMJV Claim on the I-184, Wye IC, Stage I project.

WHEREUPON the special session of the Transportation Board adjourned at 10:35 AM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
February 17, 2005
Boise, Idaho

REGULAR MEETING OF THE IDAHO TRANSPORTATION BOARD

January 20, 2005

The Idaho Transportation Board met at 8:30 AM, on Thursday, January 20, 2005, at the Idaho Transportation Department, Boise, Idaho. The following principals were present:

Charles L. Winder, Chairman
John X. Combo, Vice Chairman – District 6
John McHugh, Member – District 1
Monte C. McClure, Member – District 3
Gary Blick, Member – District 4
Sue S. Higgins, Board Secretary
Dave Ekern, Director
Charles Rountree, Deputy Director
Steve Hutchinson, Acting Chief Engineer
Karl Vogt, Deputy Attorney General

Idaho Transportation Board members Bruce Sweeney and Neil Miller were absent.

December 15-16, 2004 Board Minutes. Vice Chairman Combo made a motion to approve the minutes of the regular Board meeting held on December 15-16, 2004 as submitted. Member Blick seconded the motion and it passed unopposed.

Board Meeting Dates. The following meeting dates and locations were scheduled:

February 17-18, 2005 – Boise
March 18, 2005 – Boise
April 21-22, 2005 – District 4

Consent Calendar. Member McClure made a motion, seconded by Vice Chairman Combo, and passed unopposed, to approve the following resolution:

RES. NO. *NOW THEREFORE BE IT RESOLVED*, that the Idaho Transportation Board approves the Kootenai

ITB05-01 Metropolitan Planning Organization Statewide Transportation Improvement Program (STIP) amendment, District 1; District 2 State Program Changes; addition of Middlefork Boise River Road project, Atlanta, District 3, to the STIP; addition of I-84 Business, Blaine Street and Cleveland Boulevard Curb and Gutter replacement project, District 3, to the STIP; District 4 State Program Changes; FY05 federal scenic byway discretionary projects; and the request for additional consultant services for Commercial Vehicle Information Systems and Networks; and has received and reviewed the contract award information, the new and supplemental

professional agreements report, the administrative settlements of right-of-way acquisitions report, the annual report on the status of state-owned buildings, and the November financial statement analysis.

1) Kootenai Metropolitan Planning Organization (KMPO) STIP Amendment, District 1. KMPO and the Coeur d'Alene Tribe are partnering on a project to expand public transportation services in the urbanized Coeur d'Alene area and in rural areas in southern Kootenai County. KMPO requested a STIP amendment to increase programmed funds in the urbanized area and to transfer \$96,699 of Section 5307 funds to the Section 5311 program in District 1 for use by the Coeur d'Alene Tribe in rural Kootenai County.

2) District 2 State Program Changes. Due to project delivery issues, staff is requesting the following changes to the State Program:

- delay SH-162, 4 Corners to Kamiah, key #8810 from FY06 to FY07;
- delay US-95, A Street to Rodeo Drive, Moscow, key #8835, from FY06 to FY07;
- advance US-12, Lewiston to Clearwater River, key #9099, from FY07 to FY06 and increase its scope from a seal coat to a minor pavement rehabilitation project;
- advance US-12, Dike Route, Lewiston, key #8888 from FY07 to FY06;
- delay US-12, Junction SH-7, Orofino, key #8222, from FY07 to FY08; and
- delay SH-3, Bear Ridge Grade, key #9101, from FY07 to FY08.

3) Addition of Middlefork Boise River Road, Atlanta Emergency Relief Project, Key #9664, District 3, to the STIP. Staff requested the addition of the Middlefork Boise River Road, Atlanta project to FY06 of the Emergency Relief Program for potential future reimbursement. The Governor declared a state of disaster emergency in Elmore County after two storm events in the summer of 2004 caused mud and debris to wash out the road. The project is located off-system near the town of Atlanta in Elmore County. The project was constructed with state highway account funds in anticipation of reimbursement with either Idaho Bureau of Homeland Security or FHWA Emergency Relief funds. The total estimated cost of the repair is \$666,000.

4) Addition of I-84 Business, Blaine Street and Cleveland Boulevard Curb and Gutter Replacement Project, District 3, to the STIP. As a result of the November Urban Committee meeting, the Community Planning Association of Southwest Idaho is requesting approval to add a curb and gutter replacement project on I-84B, Blaine Street and Cleveland Boulevard, Caldwell, between mileposts 50.08 and 51.87 to Preliminary Development of the STP-Local Urban Program for \$1,320,000. This money is available as a result of last month's Board action approving changes to the STP-Local Urban Program. The work on this new project is anticipated to be companioned with two FY06 State pavement rehabilitation projects.

5) District 4 State Program Changes. Two minor rehabilitation projects, SH-50, Red Cap to

Junction I-84 Westbound On/Off Ramps, key #8809, and US-30, 3200 East to Red Cap Corner, Twin Falls, key #7728, are companioned and ready for advertising. Because the materials investigation for the SH-50, Red Cap to Junction I-84 project, completed this past fall, determined that the appropriate rehabilitation method was a Cement Recycled Asphalt Base Stabilization in addition to an overlay, the project cost increased by \$1.2 million. Staff is requesting delaying the following projects to fund the Red Cap to Junction I-84 project:

- US-93, Perrine Bridge to Junction I-84, key #9115, from FY05 to FY06;
- SH-81, J Canal Bridge, key #7833, from FY05 to FY06;
- US-93, Jim Byrne Slough Bridge to Pagari, key #6990, from FY06 to FY07; and
- US-93, Idaho/Nevada State Line to Rogerson Road, key #9358, from FY07 to FY08.

6) FY05 Federal Scenic Byway Discretionary Projects. FHWA is soliciting projects for the FY05 Federal Scenic Byway Discretionary Program. Funding in the amount of \$26.5 million is available on a nationally competitive basis for routes that have been designated as a state scenic, historic, or back country byway. The Scenic Byway Advisory Committee reviewed and prioritized the projects, which include the requested federal amount, for submittal to FHWA:

- | | |
|---|-----------|
| • Payette River National Scenic Byways Seed | \$ 25,000 |
| • Pend Oreille National Scenic Byways Seed | \$ 25,000 |
| • Northwest Passage National Scenic Byways Seed | \$ 25,000 |
| • Idaho Byways Promotion | \$116,000 |
| • Northwest Passage Auto Tour CD | \$ 22,250 |
| • Stanley Community Building Renovation | \$138,232 |
| • Western Heritage Historic Byway Safety | \$640,000 |
| • Yankee Fork Corner Project | \$ 55,775 |

7) Request for Additional Consultant Services for Commercial Vehicle Information Systems and Networks (CVISN). CVISN is the product of a collaboration of state and federal agencies in partnership with motor carriers with goals of timely access of motor carrier data by all public and private partners, the ability to focus safety resources on non-compliant motor carriers, improved working relationships among agencies, reduction in redundant administration functions, and improved access to all motor carrier customer services through automation. ITD contracted with Meyer, Mohaddes Associates to assist in the development and implementation of projects and associated administrative support. The total cost to date on work tasks is \$207,500. In interest of customer service, project continuity, and momentum, staff is requesting \$110,000 be added to the agreement for a new work task to perform interoperability testing, implement enhanced e-screening of motor carriers, provide an independent assessment of virtual weigh station options, and provide associated project management and support. An earlier earmark of \$624,000 that Idaho received from the Federal Motor Carrier Safety Administration will be used to fund this additional work.

8) Contract Award Information. Key #7819 – I-15, Breakaway Signs, SH-33 Interchange Montana State Line, District 6. Low bidder: G V Construction, Inc. - \$357,227.

Key #7844 and #8372 – Ebbett Way to East Mountain View Road, Etc., and Boyer Avenue Connector Pathway Sandpoint, District 1. Low bidder: Interstate Concrete & Asphalt Company - \$781,572.

9) New and Supplemental Professional Agreements Report. From November 29, 2004 through January 3, 2005, the Consultant Administration Unit processed \$3,658,870 in professional, supplemental, and term agreements.

10) Administrative Settlements of Right-of-Way Acquisition. From July 1 through December 31, 2004, the Right-of-Way Section processed 155 parcels. There were 39 administrative settlements during this time frame, or 25%.

11) Annual Report on the Status of State-owned Buildings. The status of the Department-owned buildings was presented, including information on the monthly rental fee, the fair rental amount, and vacancies.

12) November 2004 Financial Statement Analysis. Total federal aid revenue was \$11.6 million or 9% ahead of projections through the month. Revenue from the Highway Distribution Account was \$2.3 million, or 3.1%, below the forecast. Overall expenditures were less than budgeted through the month. In Contract Construction, the federal program was behind spending projections by 0.5% and the state program was 22% less than projected.

Aviation fuel tax revenue for November was ahead of projections by 17%. Miscellaneous revenue was 28% less than last year. Overall expenditures were ahead of last year, due to more Trustee and Benefit payments. The Aircraft Operations Fund was ahead of projections by \$12,800, or 13%. Expenditures exceeded the same time period last year by approximately 47%, due to increased use of charter service and training for pilots.

Member McHugh praised the efforts of the Coeur d'Alene Tribe and KMPO on addressing public transportation needs in Kootenai County.

Board Items. Member Blick said a subcontractor in District 4 approached him with concerns on a project. He asked staff to contact the subcontractor to answer questions and provide information on some of the Department's construction procedures.

Member McHugh noted that a recent organizational change established a Department Research Program Manager within the Division of Transportation Planning and Programs. Matthew

Moore has been selected as the new Research Program Manager. Member McHugh believes it is critical to work with other states on research projects. Deputy Director (DDIR) Rountree stated that the Department works with other entities on research, and will continue to pool research projects with other agencies.

Because of security concerns, new federal standards have been established for drivers' licenses, according to Vice Chairman Combo. He requested a future presentation on the status of this issue and ITD's plans to address the new requirements.

Chairman Winder reported on a number of meetings he attended recently, including several on the Grant Anticipation Revenue Vehicle (GARVEE) bond proposal. He has worked closely with staff on this proposal and on presentations to various groups. He thanked staff for its work on the presentations and compiling information on GARVEE bonds. He added that educational efforts on this proposal will continue. Chairman Winder also mentioned that he attended a recent Forum on Transportation Investments meeting, and that work is continuing on the access management policy. In conclusion, he asked staff to respond to a number of questions and concerns that Senator Tim Corder had at a recent meeting.

Board Audit Committee. When the Board Audit Committee was established in January 2003, Chairman Winder appointed Member McHugh to the Committee for a two-year term. Chairman Winder re-appointed Member McHugh to a three-year term on the Board Audit Committee. He thanked Member McHugh for his work in this arena and for his willingness to serve another term on the Committee.

Department Activities. Earlier this month, Human Resource Manager (HRM) Mary Harker presented Change in Employee Compensation (CEC) information to a legislative committee. She told the Board that she expressed concerns with the Department's inability to compete with cities and counties on hourly wages, the length of time it takes for employees to reach the policy point, the rising health care costs that are eroding take-home pay, and that 17% of ITD's workforce holds second jobs. She said the Department's compensation goals are to recognize its most valuable resource, retain performers, and address market competitiveness. HRM Harker also provided information on distribution of the FY05 CEC.

Chairman Winder thanked HRM Harker for her presentation to the Board, and also for her presentation to the legislative committee. He emphasized the need to inform the legislature of the Department's concerns regarding CEC.

Director Ekern provided an overview on the Department's presentation to the joint Senate Transportation Committee and House Transportation and Defense Committee scheduled later in the day. (See later minute entry.) Some of the focus areas include the Department's commitment

to improve services without raising taxes and the economic importance of transportation. He also reviewed the FY06 budget request and its projected outputs.

Hot Mix Asphalt Test Strips. Assistant Materials Engineer (AME) Bob Schumacher provided an overview on the Department's specifications for contracting hot mix asphalt test strips. He summarized changes that have been made to the process over the years and elaborated on the current procedures. With changes implemented in 2003, ITD no longer performs laboratory confirmation testing of the mix design, but reviews it for specification conformance. The contractor is responsible for constructing a test strip and obtaining samples, which are provided to the state for testing and determination of acceptance. Dispute resolution processes are in place and a substandard test section may remain in place, as determined by the engineer, with a 50% payment. The contractor is required to obtain sufficient sized samples from the test strip and provide these to the state. One-half of the provided samples are tested and the remainder is stored for dispute resolution testing by a third party testing lab, if required.

AME Schumacher said that with the responsibility of producing acceptable mix designs relying solely on the contractor and its designated laboratories, the Department has seen an increase in failing test strips. He added that the main causes of failure have remained the same, namely air voids and voids in mineral aggregate. ITD has contacted the Idaho Associated General Contractors and requested future involvement with the Asphalt Paving Subcommittee of the Highway Committee. The Department desires to participate and partner with the industry to train, identify issues, and enhance specifications to provide the highest quality product with the most cost effective pricing.

Chairman Winder thanked AME Schumacher for the informative presentation.

Contract Award. Acting Chief Engineer Hutchinson said the low bid on key #8856, CM-3220 (113), Garrity Boulevard Intelligent Transportation System, Nampa, Canyon County, District 3, was more than ten percent over the engineer's estimate, requiring justification. The engineer's estimate was developed using the Average Unit Price Report, which is based on historical data that may not reflect the current unit prices. The main differences in the engineer's estimate and the low bid were in the Rent Construction Sign Class B, Traffic Control Maintenance, Traffic Signal Interconnect System, and Mobilization items. The District does not have a lot of experience with the Traffic Signal Interconnect System, but believes the low bid is well within parameters. Staff does not believe there is a potential for savings if the project is re-advertised, and recommends awarding the contract. The City of Nampa concurs with staff's recommendation.

Member McClure made a motion to award the contract on key #8856 to the low bidder: Power Plus Inc., Boise, Idaho - \$141,646. Member Blick seconded the motion and it passed unopposed.

Member Blick made a motion to award the contract on key #6308, BR-STP-1490(100), US-91, Bear River Bridge, North of Preston, Franklin County, District 5, to the low bidder: Build Inc., Salt Lake City, Utah - \$3,086,865.61. Vice Chairman Combo seconded the motion and it passed unanimously.

Western Heritage Historic Byway Corridor Management Plan (CMP), District 3. Pat Engle, Scenic Byway Advisory Committee (SBAC) Chair, presented the CMP for the Western Heritage Historic Byway along SH-69 and Swan Falls Road in Ada County. A number of entities were involved in the development of the CMP and support the Plan, which covers the enhancement of the byway's intrinsic qualities, highway safety issues, and marketing aspects. SBAC Chair Engle expressed support for the Scenic Byway Program and emphasized the economic importance of the Program.

Member McClure made a motion, seconded by Vice Chairman Combo, and passed unopposed, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byways Advisory

ITB05-02 Committee (SBAC) on June 21, 1996, to provide advice and recommendations concerning the Scenic Byway Program to the Board; and

WHEREAS, corridor management plans (CMPs) are 1) important for the protection and orderly development of scenic byways, 2) required for National Scenic Byway designation, and 3) key to gaining priority for National Scenic Byway funding; and

WHEREAS, the Western Heritage Foundation with the support of the cities of Kuna, Meridian, and Melba, the Kuna Chamber of Commerce, Ada County Parks and Recreation, Canyon County Parks and Recreation, Ada County Sheriff's Department, Ada County Highway District, the Ada County Historic Preservation Council, the Bureau of Land Management, the Kuna School District, and Idaho Power Company, has produced a CMP for SH-69 and Swan Falls Road, known as the Western Heritage Historic Byway; and

WHEREAS, all CMPs are to be submitted to the SBAC for review and consideration before Board action; and

WHEREAS, the SBAC has reviewed the CMP, concurs with District 3 that the plan adequately addresses the issues of the byway, and recommends Board approval.

NOW THEREFORE BE IT RESOLVED, that the Board approves the corridor

management plan for the Western Heritage Historic Byway.

St. Joe River Scenic Byway Designation, District 1. SBAC Chair Engle reported that the St. Maries Chamber of Commerce, Benewah County, and Shoshone County submitted an application requesting designation of the St. Joe River Road as the St. Joe River Scenic Byway. The SBAC reviewed the request and has determined that it meets the guidelines for designation. The byway would include the route from the junction of SH-3 in the city of St. Maries to the Montana state line.

Member Blick made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, the Idaho Transportation Board established the Scenic Byway
Advisory
ITB05-03 Committee (SBAC) on June 21, 1996; and

WHEREAS, among its purposes the SBAC is to provide advice and recommendations concerning the Scenic Byway Program to the Board; and

WHEREAS, all local requests for Scenic Byway designation are to be submitted to the SBAC for review and consideration; and

WHEREAS, the St. Maries Chamber of Commerce with support from Benewah and Shoshone Counties has submitted a request to designate a route to be known as the St. Joe River Scenic Byway, which would begin at the junction of SH-3 and head easterly along the St. Joe River Road to the Montana state line; and

WHEREAS, the SBAC has found the request for this designation to comply with its established criteria, recommending Board approval.

NOW THEREFORE BE IT RESOLVED, that the Board approves the designation of the St. Joe River Scenic Byway as described above; and

BE IT FURTHER RESOLVED, that the St. Joe River Scenic Byway shall be so signed and designated on the Idaho Official State Highway Map.

Vice Chairman Combo asked if Montana officials have been contacted regarding Idaho's proposed scenic byway. Scenic Byway Coordinator Garry Young replied that Idaho has been working with Montana on this proposal. Montana is also working on a proposed byway in the area and plans are to have the two byways connect.

The motion passed unanimously.

Chairman Winder thanked SBAC Chair Engle and the other SBAC members for their efforts with the Scenic Byway Program. He believes it is a beneficial program.

Connecting Idaho. DDIR Rountree referenced the Board's and Department's earlier efforts to recognize Idaho's major corridors, including approval of the 1997 Idaho State Highway Plan that identified the state's major corridors, and a map that the Board created during a vision session in 2000. Based on these two documents, staff developed a multi-modal corridor map. He then elaborated on Governor Dirk Kempthorne's Connecting Idaho Initiative to improve the state's transportation system. The vision is a 2,076-mile network of multi-lane, high-performance roadways. To date, 735 miles of this network have been completed.

Director Ekern elaborated on the GARVEE bond proposal, including the foundations for using the bonding mechanism, assumptions, and an investment impact analysis. He emphasized that the normal process to develop and deliver projects will be used, and that the total economic benefit of the \$1.6 billion GARVEE bond proposal is \$9.1 billion.

Member McHugh commented that the safety aspect needs more emphasis. He believes it is important to stress that by completing projects earlier with GARVEE bonds, safety will be improved on Idaho's highways.

Chairman Winder thanked Director Ekern and DDIR Rountree for the presentation and for their continued efforts on the GARVEE bond proposal. (See later minute entry.)

Annual Division of Aeronautics' Report. Aeronautics Advisory Board (AAB) Chairman Rodger Sorensen thanked the Board for its time. He provided an overview on Idaho's air carrier traffic and accident statistics. AAB Chairman Sorensen also provided a brief summary on Friedman Memorial Airport's relocation efforts.

AAB Member Kathy Poston elaborated on the state's backcountry airstrips. These facilities continue to be very popular. She was pleased to report that the fatality rate in the backcountry decreased this past year. She also mentioned the recent airstrip symposiums held throughout the state and that there is a strong desire to ensure a good backcountry airstrip system in the future.

AAB Member Bob Hoff provided information on aviation gas trends and consumption in Idaho Falls from 2000 through 2004. Statewide, jet fuel sales increased in 2004.

Chairman Winder thanked the AAB members for the presentation, for their continued efforts in aviation, and for their service to the state.

Division of Aeronautics' staff provided reports on specific programs. Frank Lester summarized the activities in the Safety and Education Program. He believes the decrease in aviation accidents is a result of the Department's extensive safety program. He expressed concern with the Federal Aviation Administration's (FAA) intent to emphasize aviation carriers, resulting in general aviation becoming a lesser priority. This will result in an additional strain on ITD's resources. Mark Young reported on the airstrip maintenance activities, including safety projects and the courtesy car program. Work is continuing on finalizing the efforts of the backcountry airstrip symposiums that were conducted last fall. Bill Statham provided an overview on the assistance the Division provided to Idaho's airports. He believes requests for assistance will increase because of changes in business aviation, resulting in greater demands on existing facilities.

Aeronautics Administrator (AA) Bob Martin reported on the increased usage of the state's backcountry airstrips, especially by out-of-state visitors. He also commented on the concerns that FAA's realignment will stretch ITD's resources, and that non-traditional revenue sources and innovative ways to serve the aviation customers need to be explored.

Chairman Winder thanked staff for the informative report.

Old Business. Member McHugh made a motion, seconded by Member McClure, to approve the following resolution:

RES. NO. WHEREAS, it is important to set forth for the Idaho public and the nation's
ITB05-04 transportation community the vision and scope for the Idaho
Transportation Department's future transportation investments; and

WHEREAS, the Department has established and followed a publicly reviewed long-range transportation plan since 1995 in accordance with the guidance provided under the Intermodal Surface Transportation Efficiency Act of 1991; and

WHEREAS, the Idaho Transportation Board, in its revised 1997 Idaho State Highway Plan, identified priority corridors throughout Idaho needing long-term transportation improvements essential for the statewide mobility and the system continuity to support Idaho's economic future; and

WHEREAS, in the February 2000 Board planning session, a 20 to 30 year vision map was established for the new routes, functionality, and roadway standards for the priority corridors and other portions of Idaho's transportation system; and

WHEREAS, in September 2001, the Board further approved "44 Reaches, with projects totaling \$2.5 billion" detailing the long-range investment needs on the

priority corridors, for use in further development of the Long-Range Transportation Plan and for “educating the legislature, local public officials, and the public on the Department’s needs and funding constraints;” and

WHEREAS, in February 2002, in a special work session, the Board emphasized that the Reaches are a “work in progress” and the “identified projects are to be used in the planning process, as funding has not been secured for all of the projects;” and

WHEREAS, Idaho’s FY04 Transportation Vision project included a 30-year vision of the transportation requirements for Idaho; and

WHEREAS, in the 2005 State of the State Address, the Honorable Governor Dirk Kempthorne presented to Idaho citizens and the Idaho Legislature a funding proposal referred to as Connecting Idaho with \$1.6 billion in transportation investments, to connect all of Idaho, grow the State’s economy, and improve safety; and

WHEREAS, the Connecting Idaho funding proposal includes investments that are entirely consistent with the current and historical long-range transportation plans of the Board.

NOW THEREFORE BE IT RESOLVED, that the Board adopts the proposed multilane corridor map combining the 1997 Intrastate Priority Corridor map and the 2000 Board Vision map, as shown as Exhibit 298, which is made a part hereof with like effect; and

BE IT FURTHER RESOLVED, that the Board endorses and supports the Honorable Governor Kempthorne’s Connecting Idaho Initiative to expedite the implementation of the multilane corridor map; and

BE IT FURTHER RESOLVED, that the Board directs staff to amend Idaho’s Statewide Transportation Improvement Program as appropriate upon the successful passage by the Idaho Legislature of the Honorable Governor Kempthorne’s Connecting Idaho GARVEE bonding proposal.

Vice Chairman Combo expressed concern that the Board’s meeting agenda did not indicate the Board would act on the GARVEE bond proposal and that two Board members, whose views should be heard, were not present. Chairman Winder mentioned that the item is a continuation of last month’s discussion on the subject. Vice Chairman Combo also expressed concerns with the process that brought the proposed resolution at this time in that no bill has been introduced and that the typed resolution and a revised “Connecting Idaho” brochure were placed at the members’

seats just as the 10:30 presentation commenced.

Member Blick said he supports the GARVEE bond concept, but has concerns with the proposed \$1.6 billion amount and with the project selection process. He questioned the timing and whether staff has had sufficient time to complete research on the process and how it will be implemented in Idaho. He also expressed concern with the aging Interstate system. He believes the current infrastructure, specifically the Interstate and its structures, are a higher priority.

Chairman Winder reiterated that the proposal is to focus on the major corridors that have been identified by the Board. The specific projects that would be funded with GARVEE bonds have not been finalized. He added that the GARVEE bond proposal is to issue bonds over a nine-year period, so there is sufficient time to work through the issues. Additionally, the process will include annual certification of each bond issued and each project to be funded. Chairman Winder also emphasized that all projects will be completed via the regular delivery process, including complying with all environmental requirements.

The motion passed 3-1 with Vice Chairman Combo dissenting. He reiterated his concerns with the process used to request Board approval on the resolution.

Executive Session on Personnel and Legal Issues, Section 67-2345(1)(b) and (f), Idaho Code. Vice Chairman Combo made a motion to meet in executive session at 12:15 PM to discuss personnel and legal issues. Member McClure seconded the motion and it passed 4-0 by individual roll call vote.

The discussion on the personnel matter related to the termination of an employee, including a proposed settlement negotiation.

The discussion on pending litigation related to the I-84/I-184 Wye Interchange, including a proposed settlement negotiation with a subcontractor on the Connector project, and the US-95, Mica Bay projects.

The Board came out of executive session at 1:00 PM. No decisions were made.

New Business. Member Blick made a motion to authorize DAG Vogt and Director Ekern to proceed with negotiating for potential settlements on the O'Conner v. State matter and the Walt's Concrete Claim on the I-84/I-184 Wye Interchange/Connector project. Vice Chairman Combo seconded the motion and it passed unopposed.

Joint Senate Transportation Committee and House Transportation and Defense Committee Meeting. The Board attended ITD's annual presentation to the joint germane committee. After

Chairman Winder provided opening remarks and introduced the Board, the Division Administrators provided an overview on their respective areas. Director Ekern concluded the presentation with a summary of the Department's FY06 budget request.

WHEREUPON, the Idaho Transportation Board's regular monthly meeting officially adjourned at 3:00 PM.

signed

CHARLES L. WINDER, Chairman
Idaho Transportation Board

Read and Approved
February 17, 2004
Boise, Idaho